

IN THE CIRCUIT COURT FOR SUMNER COUNTY, TENNESSEE
AT GALLATIN

KATHERINE WISE GENTRY,)
)
 Plaintiff/Wife,)
)
vs.) No. 2014CV393
)
JOHN ANTHONY GENTRY,)
)
 Defendant/Husband.)

TRANSCRIPT OF PROCEEDINGS

Tuesday, March 10, 2015

APPEARANCES:

For the Plaintiff/ Ms. Pamela A. Taylor
Wife: Stites & Harbison
 401 Commerce Street, Suite 800
 Nashville, TN 37219

For the Defendant/ Ms. Sarah Richter Perky
Husband: Hollins, Raybin & Weissman
 Fifth Third Building
 424 Church Street, Suite 2200
 Nashville, TN 37219

Reported By:

Carolyn J. Bertram, LCR, RPR, CCR

DEFENDANT'S EXHIBIT 2 TO MOTION TO DISMISS (3/10/2015 TRANSCRIPT)
TRANSCRIPT OF PROCEEDINGS MARCH 10, 2015

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1	EXHIBITS		1	(The aforementioned cause came on to be	
2	Number	Description Page	2	heard Tuesday, March 10, 2015, before the Honorable Joe	
3	1	Financial comparison, financial statements for 2007 and W-2s for 2008 forward 57	3	Thompson, Judge, beginning at approximately 2:48 p.m.,	
4	2	Revenue growth of Sweet Wise from 2006 to 2013, with attached Forms 1120S 60	4	when the following proceedings were had, to-wit:)	
5	3	Confirmation of patent application 74	5		
6	4	2011-2014 gross profits from THE MAT, and supporting documents 75	6	MS. PERKY: One preliminary thing.	
7	5	Discretionary spending and deferred revenue summary, and supporting documents 81	7	Mr. Gentry has a hearing impairment. I believe there's	
8	6	Notice of Separation 86	8	some device that --	
9	7	Summary of Mr. Gentry's compensation and benefits, and supporting documents 91	9	THE COURT: Right. I'm going to ask	
10	8	Credit card statement 95	10	you folks to allow me to take about a ten-minute break	
11	9	Summary of Ms. Perky's attorney fees 106	11	or so for two reasons. One, to get that equipment set	
12	10	E-mail regarding garage door 118	12	up. Now, the equipment I have -- or that was provided	
13	11	March 2011 original patent application in Ms. Gentry's name 127	13	to me -- I have two microphones.	
14	12	April 2014 e-mail from Mr. Gentry to Ms. Gentry 132	14	MS. PERKY: Okay.	
15	13	K-1s for 2010, 2011, 2012, and 2113 138	15	THE COURT: Now, I have this that I	
16	14	July 13, 2014 e-mail string 141	16	never turn on, but I'm going to. So I can -- you can	
17	15	Credit card statement showing 8/8/14 charge to Carrabba's 146	17	hear me a little bit better. I don't know if	
18			18	Mr. Gentry can hear me --	
19			19	MR. GENTRY: Pretty well.	
20			20	MS. PERKY: He says he can hear you	
21			21	with that.	
22			22	THE COURT: Okay. If he can hear me	
23			23	pretty well, then probably what I will do is -- I have	
24			24	two other microphones, and we'll just have to share	
25			25	those as need be. But let's break until 3 o'clock, and	

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<p style="text-align: right;">Page 6</p> <p>1 I'll come back and we'll have the equipment up here and 2 see if we can't get ourselves ready for this hearing; 3 okay? 4 MS. PERKY: Thank you, Your Honor. 5 THE COURT: All right. Thank you. 6 (Recess taken from 2:50 p.m. 7 to 3:07 p.m.) 8 THE COURT: Okay. The first thing I 9 want to do, since we've got several matters pending in 10 this case -- and this is Katherine Wise Gentry vs. John 11 Anthony Gentry. I want to make sure that we're on the 12 same page as far as what we're hearing today. 13 I believe there was an order that, 14 essentially, deferred the hearing on the second amended 15 petition for civil contempt until today. So that's one 16 of the things that we're here on. Is that correct? 17 MS. PERKY: Yes, Your Honor. 18 MS. TAYLOR: Yes, Your Honor. 19 THE COURT: Okay. All right. Then we 20 also have Mr. Gentry's motion to determine control of 21 business and partner compensation and for other relief? 22 MS. PERKY: Yes, Your Honor. 23 THE COURT: All right. We also have 24 the plaintiff's motion to compel, and the defendant's 25 motion to compel and for attorney's fees.</p>	<p style="text-align: right;">Page 8</p> <p>1 that. 2 MS. TAYLOR: I've told Ms. Perky that 3 it's a very straightforward amendment. 4 THE COURT: Okay. 5 MS. TAYLOR: It's an 6 amendment/supplement. 7 THE COURT: All right. 8 And, Mr. Gentry, are you hearing me 9 okay? 10 MR. GENTRY: Yes, sir. 11 THE COURT: Okay. Do you need more 12 time to review it, or do you -- have you seen it enough 13 to say "I object" or enough to say "I don't object"? 14 MS. PERKY: I don't have any objection 15 to her amended complaint. 16 THE COURT: All right. So we're going 17 to grant the motion, wife's motion to amend. All 18 right. 19 MS. TAYLOR: Thank you, Your Honor. 20 My apologies for not sending it. It just slipped my 21 mind. I should have done that earlier. 22 THE COURT: Okay. You know the case 23 better than I do, but my thought is it's probably a 24 good idea to go ahead and deal with these motions to 25 compel, these competing motions to compel up front.</p>
<p style="text-align: right;">Page 7</p> <p>1 Is that correct? Both parties have 2 motions to compel? 3 MS. PERKY: Yes, Your Honor. 4 MS. TAYLOR: Yes, Your Honor. 5 THE COURT: All right. Then we have 6 the wife's motion to amend her original complaint. 7 And I think that's all I have. 8 MS. PERKY: That's all I have too, 9 Your Honor. 10 THE COURT: All right. Have you 11 provided -- Ms. Taylor, have you provided counsel for 12 Mr. Gentry with a copy of the proposed amended 13 complaint yet? 14 MS. TAYLOR: No, Your Honor. But I 15 have it with me. 16 THE COURT: Okay. 17 MS. TAYLOR: I'm happy to give her a 18 copy right now. 19 THE COURT: Well, she might -- you 20 know, I don't know whether she opposes it or doesn't 21 oppose it. And she's probably not going to know that 22 either until she sees it. So if you can give her a 23 copy of that, and perhaps she can begin reviewing that, 24 maybe, while we're talking about some other things. 25 Maybe not. I don't know, but at least we can start</p>	<p style="text-align: right;">Page 9</p> <p>1 What do you think? 2 MS. PERKY: We're happy to do that, 3 Your Honor. My concern is, I just want to make sure 4 we're going to have enough time to address the petition 5 that's been pending since October. You know, I don't 6 want us to get too bogged down with the motions to 7 compel discovery and then us not get that addressed, 8 which has been pending significantly longer than either 9 of these motions to compel. 10 THE COURT: All right. With that 11 said, what sort of out-of-court commitments do either 12 one of you or any of the parties have? What's my time 13 frame? I'll be here all day, but . . . 14 MS. TAYLOR: I am open, as long as we 15 can take a break at some point in time if we're going 16 to stay past 6:30 or so, and ask the dog walker to go 17 take care of the dogs again. 18 THE COURT: All right. 19 MS. PERKY: I have a very 20 understanding husband, and as long as I can make a 21 phone call, I'm sure he'd be happy to take care of 22 child care arrangements. I can stay as long as the 23 Court needs us to. 24 THE COURT: All right. Since we don't 25 have any of those issues, let's go ahead and deal with</p>

<p style="text-align: right;">Page 10</p> <p>1 the motions to compel. 2 Who filed first? 3 MS. TAYLOR: Ms. Gentry. 4 THE COURT: All right. Ms. Taylor, do 5 you want to tell me about your motions? 6 MS. TAYLOR: Do you want me to tell 7 you about the motion to compel or all -- 8 THE COURT: Mm-hmm. Let's just start 9 with the motions to compel. 10 MS. TAYLOR: We filed discovery -- so 11 if Your Honor -- 12 THE COURT: Now, is he hearing her? 13 MS. PERKY: He was hearing her. We 14 were hearing it for a second. I don't know if she's 15 bending over -- 16 THE COURT: You may have to hold it in 17 your hand and put it up close to your mouth. 18 MS. TAYLOR: I'm sure he can hear. 19 Thanks. No one's ever accused me of being quiet. 20 THE COURT: It's coming through now. 21 I can hear that. 22 MS. TAYLOR: Thank you. 23 Your Honor, the case was filed in 24 April of 2014. We sent discovery -- let me get the 25 exact date.</p>	<p style="text-align: right;">Page 12</p> <p>1 discovery was sent over in October and to update that. 2 I did receive a letter from Ms. Perky 3 saying that he did not have the documents at the time 4 it was answered. I think he did have some of them, I 5 would submit to the Court. At the same time, I'm 6 certainly willing to have an order that says he updates 7 from the date of his last discovery through the current 8 time at a given date. 9 THE COURT: Now, are you referring to 10 her letter of March 2nd, 2015? 11 MS. TAYLOR: Yes, Your Honor. I do 12 not have it in front of me, but yes. 13 MS. PERKY: Your Honor, if it helps, I 14 attached my March 2nd letter. You have it -- 15 THE COURT: I've got it. 16 MS. TAYLOR: I have it, actually, here 17 in front of me. 18 Your Honor, we would show that in that 19 letter, or the request for production, it states 20 that -- one moment, Your Honor. 21 THE COURT: Sure. 22 MS. TAYLOR: Your Honor, I am not 23 seeing the response. I have so many papers here. 24 THE COURT: I understand. 25 MS. TAYLOR: I'm sorry I can't find my</p>
<p style="text-align: right;">Page 11</p> <p>1 THE COURT: September 4, 2014? 2 MS. TAYLOR: I'm trying to find it. 3 THE COURT: It's in your motion. 4 MS. TAYLOR: Thank you, Your Honor. I 5 don't have it in front of me. 6 We sent the discovery, then, in 7 September. Mr. Gentry was then represented by Rob 8 Turner. We did not get the discovery for over 30 days. 9 I communicated with Mr. Turner by probably a phone call 10 and sent a letter to him asking that the discovery be 11 completed. We also sent it to Mr. Turner's office in a 12 Word version on September 24th of 2014, so they could 13 proceed with answering it that way. 14 It was answered on October the 2nd, 15 2014 -- that's the day of the notary seal -- and sent 16 to me. 17 The basis of my motion to compel is 18 that there are numerous missing documents. Again, it 19 was -- it's dated the 2nd of October. We did not 20 receive it until later that month. 21 And the responses provided by 22 Mr. Gentry, in terms of bank accounts and credit cards, 23 only go through July or August of 2014. So what I had 24 requested were the additional and updated documents 25 that he would have had in his possession when the</p>	<p style="text-align: right;">Page 13</p> <p>1 copy of the letter, put my hands on it right now. I do 2 know that there was an account -- I believe it's an 3 account ending in numbers 2557. 4 THE COURT: That's what your letter 5 refers to, yes. 6 MS. TAYLOR: Yes. I believe the 7 response was that account was inactive and had been 8 inactive, and if Ms. Gentry wanted those that she could 9 pay \$6 a page. 10 I would submit to you, Your Honor, 11 that if you look at Mr. Gentry's bank statements for 12 2014 on Account 9524, there are actually transfers 13 between Account 9524 and Account 2557. 14 So it is, I submit to the Court, not 15 correct to say it was inactive, as there are transfers 16 between that. Given that, I think the burden should be 17 on Mr. Gentry to provide all of those statements on 18 Account 2557. 19 THE COURT: Let me stop you right 20 there. Are you saying there were transfers after 21 January 2015 into the 2557 account? 22 MS. TAYLOR: No, Your Honor. I'm 23 saying there were transfers -- I haven't seen the 24 records after January 2015. The records that I saw in 25 2014 --</p>

1 THE COURT: Okay.
 2 MS. TAYLOR: -- show transfers between
 3 those two accounts on a few occasions.
 4 THE COURT: Okay.
 5 MS. TAYLOR: The same with the
 6 accounts in the name of eStart Solutions. It's my
 7 understanding Mr. Gentry now has that business moving
 8 along, and I would ask that we get all the statements
 9 on those.
 10 We've identified the credit card
 11 statements that are not answered. We also asked --
 12 this is in my letter to Ms. Richter of February 19,
 13 2015. It should be attached to the pleadings.
 14 THE COURT: It is. It is.
 15 MS. TAYLOR: Okay. We asked to update
 16 his answers to the interrogatories to reflect his
 17 efforts to seek employment, information to reflect the
 18 new Mercedes automobile he has obtained during the
 19 divorce, and the other interrogatories that I state
 20 just to update.
 21 Then we had, as I said, the computer
 22 purchased by Sweet Wise. We wanted that returned as an
 23 asset of the business. And there was also a camera.
 24 In a discussion with Mr. Gentry's prior attorney, he
 25 did return some of the items associated with Sweet

1 responses back in November to the present.
 2 Your Honor, I don't think that that's
 3 the way discovery works. I think that they have an
 4 obligation to respond. And then if a party says, I
 5 would like for you to update it, then you do it.
 6 So, I mean, for me, I don't feel like
 7 this motion was necessarily filed in good faith, and we
 8 would like attorney's fees for it.
 9 With respect to Request for Production
 10 No. 4, the operating agreement, there isn't such an
 11 agreement in existence. We've responded to that.
 12 With respect to Request No. 4, she
 13 asked for in his original --
 14 THE COURT: Let me say --
 15 MS. PERKY: I'm sorry.
 16 THE COURT: You say a formal operating
 17 agreement does not exist. Your use of the word
 18 "formal," am I supposed to interpret that as a written
 19 operating agreement?
 20 MS. PERKY: No operating agreement.
 21 You can strike "formal" and just say no operating
 22 agreement.
 23 THE COURT: Okay. All right.
 24 MS. PERKY: There is no document that
 25 is responsive to that request.

1 Wise, one of which was a camera. However, the SD card
 2 was not in the camera, and that should be provided in
 3 response to the request for production of documents.
 4 And then as we stated, the MacBook, and then the return
 5 of the original documents and computers.
 6 So, again, a reasonable date for the
 7 completion of all those is what we would ask from the
 8 Court.
 9 THE COURT: Okay. Thank you,
 10 Ms. Taylor.
 11 Ms. Perky. And I know you have a
 12 motion pending as well, so we'll talk about that in a
 13 little bit.
 14 MS. PERKY: Sure, Your Honor.
 15 With respect to -- first of all, Your
 16 Honor, Mr. Gentry responded fully and completely to
 17 discovery. That's our position. I think that what
 18 Ms. Taylor is requesting for us to do is to update our
 19 discovery.
 20 We've also propounded discovery which
 21 has not been answered. It's three months overdue.
 22 We've asked for them to respond. And instead of
 23 responding, they've said, Actually, now we want you to
 24 supplement and update with documents and information
 25 that you've received since you provided your discovery

1 THE COURT: All right.
 2 MS. PERKY: Request No. 7, we did in
 3 his original discovery responses not have six months of
 4 payments for back in 2012. We provided that in
 5 response to Ms. Taylor's letter.
 6 Then the rest of the documents that
 7 she's requesting are ones from the time that he gave
 8 his responses to the present. Again, we don't feel
 9 like we have an obligation to do that until after
 10 Ms. Gentry responds to discovery.
 11 THE COURT: Do you necessarily
 12 disagree with Ms. Taylor that there has been some
 13 activity post 2007?
 14 MS. PERKY: Your Honor, there has been
 15 one single transfer of \$8 from this inactive account,
 16 because that's all that was left, I think, that was in
 17 the account.
 18 Correct?
 19 MR. GENTRY: I just opened the account
 20 back in 2006. I think it was \$8. It might have been
 21 \$50. I'm pretty sure it was \$8. No activity until I
 22 closed the account in 2014 or early 2015.
 23 THE COURT: All right.
 24 MS. PERKY: So his testimony would be
 25 there was a single transfer of \$8. That's all we're

dealing with, Your Honor.

THE COURT: All right.

MS. PERKY: And, again, Ms. Gentry has put Mr. Gentry in the position that he doesn't have the money to pay 200-something dollars to get her statements for an account that's inactive and has only had \$50 in it.

We said, We're fine if you want to explore that. We're happy to do that. We'll give you a release.

But, I mean, she's the person holding the purse strings at this point, and he just doesn't have the funds to do that, Your Honor.

The PayPal account, Your Honor, was opened in January of 2015. Of course, it wasn't available. Those statements were not available at the time he gave his discovery responses. We don't feel like he should have to give those until after she responds.

Request 18 is all the credit card statements that she's asking for him to, again, update. We've provided all the statements up until his response was provided to counsel.

THE COURT: Tell me about No. 20, Interrogatory No. 20.

shouldn't have to update until you at least provide an initial response.

MS. PERKY: Exactly, Your Honor.

THE COURT: And what responses -- and you've gotten no responses whatsoever from Ms. Gentry?

MS. PERKY: Nothing, Your Honor.

THE COURT: All right. Ms. Taylor, tell me about that.

MS. TAYLOR: Your Honor, I will, if I can make one comment first. For example, just so we're sure, as to updating the discovery, I understand the rules of that. But Mr. Gentry did not provide all of the statements from, say, July or August through the date that he sent the answers to us on, I think it was November the 9th. It's dated earlier, but we didn't get them until November 9th. So my motion was to get that and obtain that information that he had but did not send with the original discovery.

On No. 26, they say we're asking for information we did not request. The follow-up question was in response to Mr. Gentry's discovery answer. When we asked for the names that he expected to call as an expert witness at trial, he said he did not know the expert witnesses, but he provided names of seven or more nonexpert witnesses. So my follow-up question was

MS. PERKY: Interrogatory 20, she is asking for documentation of support that he pays to his mother. That was not requested in Interrogatory No. 20.

THE COURT: Okay.

MS. PERKY: Instead, they're adding questions that they would like to have been in Interrogatory No. 20. She did the same thing in Interrogatory No. 26. She asked him for additional information that was not requested in the original discovery that was propounded to him.

Of course, he doesn't have an obligation to provide that information. He also doesn't have an obligation, in my mind, Your Honor, to provide updated information, things that have happened since he last responded to discovery, if she hasn't even responded to discovery for the first time that was, back in November, propounded to her.

THE COURT: So your argument, essentially, is there are three answers to all of your requests: Number one, it doesn't exist; number two -- well, maybe four answers -- number two, if you want this, you can get it, we don't have the money for it; number three, you didn't ask for it originally; and, number four, you're asking us to update, and we

to update something he had answered in his first discovery.

On No. 20, the follow-up question was again in response to his question where we asked him to provide documentation of support to his mother. He itemized his living expenses in there and put spending money for his mother as a category. That's what led to my follow-up question by letter.

Your Honor, I was just trying to identify issues we had so that we could move forward.

As to Ms. Gentry's discovery, Your Honor, that is actually my fault that it didn't get out. My client has been working on it, because she is the owner of the business and they asked for these records, there's a large volume of records to be -- to be produced.

In addition to this, Mr. Gentry's former attorney and I had agreed that we would use Vic Alexander, at Kraft Brothers CPA, to do an evaluation of Sweet Wise. Mr. Alexander was asking for information that was different from, in some respects, what was requested in the discovery.

Because Mr. Turner and I were trying to get all the information to Mr. Alexander, then we spent all our time working on that as opposed to

1 finalizing this discovery, Ms. Gentry's discovery.
 2 A lot of the information was the same.
 3 What I sent to Mr. Alexander was also shared with
 4 Mr. Gentry. So much of this has actually been provided
 5 not through the formal discovery. Ms. Gentry and the
 6 people at my office who are helping with this have
 7 finalized the discovery and it has been, quite frankly,
 8 on my desk to review the final draft and send out.
 9 Mr. Turner and I did not -- and I know
 10 this is prior to Ms. Perky and the motion, but we had
 11 an agreement that we were working on the information to
 12 send to Mr. Alexander before we finished the formal
 13 discovery. So that's where we were on that.
 14 We can certainly have that to
 15 Ms. Perky within seven days, Your Honor.
 16 THE COURT: Okay. She asked for 15,
 17 but if you want to shorten it, that's fine.
 18 MS. TAYLOR: I was trying to be
 19 generous, but I'll take 15.
 20 THE COURT: All right. Tell me about
 21 this SD card.
 22 MS. PERKY: Your Honor, my client did
 23 agree to return certain things to Ms. Gentry. He says
 24 he returned the camera the way that he had it. He says
 25 he doesn't know about an SD card. He doesn't have an

1 it a MacBook or is it a Mac?
 2 MS. PERKY: I think it's a MacBook.
 3 THE COURT: All right. Is that the
 4 only laptop computer or the only computer Mr. Gentry
 5 has?
 6 MS. PERKY: Is that the only computer
 7 you have?
 8 MR. GENTRY: It's a notebook I use for
 9 travel and I use it for --
 10 MS. PERKY: I know. But do you have
 11 another computer?
 12 MR. GENTRY: I have a desktop also.
 13 MS. PERKY: He also has a desktop.
 14 It's the only laptop he has.
 15 THE COURT: What does Ms. Gentry have?
 16 MS. GENTRY: I only have a laptop.
 17 THE COURT: All right. Ms. Taylor, is
 18 what she's wanting the information off of the laptop or
 19 the laptop itself?
 20 MS. GENTRY: The laptop itself. We
 21 bought it for business use.
 22 THE COURT: Okay. All right. Here's
 23 what we're going to do.
 24 You have any response on the SD card,
 25 Ms. Taylor?

1 SD card. He didn't take it out and just put it in his
 2 pocket. He doesn't have it.
 3 So, I mean, that's kind of where we
 4 are. He doesn't have it. He returned what he had,
 5 and that's what he's got. I mean, the only other thing
 6 we have is the MacBook computer.
 7 Which, again, Your Honor, we're going
 8 around and around, and they keep maintaining that it's
 9 business property and she wants all the business
 10 property back. But it's our position that they're
 11 co-owners of this business.
 12 And the proof is going to show, Your
 13 Honor, that they've used marital funds to purchase all
 14 their stuff. I mean, they're small business owners who
 15 run all of their expenses through the businesses. And
 16 even though Sweet Wise, the business, might have
 17 technically purchased the laptop, it's been something
 18 that Mr. Gentry's always used it, similar to the car
 19 she took away from him. He didn't have a car after --
 20 I mean, that's what we're talking about here.
 21 We're not talking about him coming
 22 into the business and absconding with materials and
 23 putting them in his car and running away. That's not
 24 what happened here, Your Honor.
 25 THE COURT: All right. Is the -- is

1 MS. TAYLOR: The SD card is necessary
 2 for the use of the camera. So if he's been using the
 3 camera, or anyone's been using it, they've had to have
 4 the SD card in there.
 5 THE COURT: Usually a camera will have
 6 a little memory. You can take, you know, 8, 10, 12
 7 pictures, maybe a few more. The SD card usually will
 8 allow you to store a lot more on it. But he's saying
 9 he doesn't have it. Is there information that you
 10 have --
 11 MS. TAYLOR: I'm technologically
 12 challenged, and so your information on the SD card has
 13 already -- has surpassed mine.
 14 My client states that this camera will
 15 not power up without it.
 16 MS. GENTRY: And it also has a number
 17 of pictures we've taken at different events that I
 18 would like for promotional use.
 19 THE COURT: All right. Tell me
 20 about -- I mean, he's saying he doesn't have it. I'll
 21 be honest with ya. It wouldn't seem to me the SD card
 22 would prevent it from powering up. Obviously, it has
 23 data on it, wherever it is. But he's saying he doesn't
 24 have it. I don't know that I can force -- I mean,
 25 that's what his -- that's what his position is.

MS. TAYLOR: Your Honor, I would say if he says the SD card is missing, I would ask that he be ordered to produce it if he finds it.

THE COURT: Sure.

MS. TAYLOR: And if, for some reason, Ms. Gentry found it at the business, she would so notify the Court immediately.

THE COURT: And if he's got a MacBook --

MS. PERKY: We're agreeable to that.

THE COURT: And if he's got a MacBook, he can download everything that's on the SD card onto the MacBook, and then leave it on the SD card and have the data two different places until this thing is resolved.

MS. TAYLOR: If he is going to make -- are you saying the MacBook should be returned to the business or --

THE COURT: Well, I need to think about that a little bit. I'm going to reserve that. Because I think maybe as we talk about these other matters, I might get a better clarification on that.

MS. TAYLOR: I would also submit, Your Honor, that if he does maintain it through day or evening, however we described that, if your decision is

interrupting. However, the statement going back to this Account 2557, I can go through the papers and find there are at least two, if not more, transfers between that account and the 9524 account, I believe both in 2014 -- don't know if they go back further -- in the range of a hundred dollars each.

I will submit to the Court, I'm trying to be reasonable here. If Mr. Gentry will obtain the records on that account for 2014, which he should have access to because there were transfers that year. I'll look at them. If I decide that I need more information from that, then I will send an authorization and I'll do --

THE COURT: And you're talking about information from the sending account, not the receiving account?

MS. TAYLOR: The 2557. We have the information on the receiving account, 9524. But the sending account -- there were transfers between the two accounts. I don't know which one was the sending and the receiving. But in the Account 9524, you see transfers between the two accounts.

THE COURT: All right. Let's do this. I'm going to give you the 15 days to respond to Mr. Gentry's discovery. And then that will put us at

that he maintain it, that we be allowed to have a computer expert go in and download it so that we have everything that's off of it.

THE COURT: Just make an image of it?

MS. TAYLOR: Just make an image, but have it done by an outside person at LogicForce.

MS. PERKY: Your Honor, that's going to -- I mean, if we give this computer to LogicForce, they're going to have it for three or four weeks to do all this.

THE COURT: Oh, Ms. Perky, no, they won't. And LogicForce is not the only entity that's done it. I did an image about three weeks ago and they had it back within 24 hours.

MS. PERKY: Okay. Well, I'm fine -- as long as we put some kind of qualifications on it. I mean, it kind of defeats the purpose --

THE COURT: Now, for them to do a forensic analysis, yes, it would take that long, but just to make an image is a matter of hours. So the image itself should not take any length of time.

Okay. On the answers --

MS. TAYLOR: Your Honor --

THE COURT: Go ahead.

MS. TAYLOR: Pardon me for

the 25th, which will be, what, a Wednesday?

And then we're going to give -- we're going to give Mr. Gentry another 30 days after that day to update his responses, to supplement his responses.

You sort of inherited the case first, so let's have a new day here. Let's get as much updated as we can and back to them within 30 days, the 25th, which I guess would put us at the --

MS. PERKY: And what about Interrogatories 20 and 26?

THE COURT: Well, you know, yeah, I want him to go ahead and answer that. He's going to get asked it in deposition anyway. It's going to come up. It's going to be --

MS. PERKY: Your Honor, the problem that we've got here is we want to make sure that we're following the rules here so there isn't, like, creep. You know what I'm saying?

THE COURT: Oh, sure.

MS. PERKY: You know, we've got to end written discovery at some point and move on so that we can get these parties divorced.

THE COURT: Oh, no. I'm sort of looking at where we are now. Past where we are now, I'm going to look a little more carefully at what's

1 being asked for.

2 MS. PERKY: Sure. Because we have
3 satisfied discovery before today's hearing.

4 THE COURT: And let me say this, just
5 so we're all on the same page, Ms. Taylor. If she gets
6 your discovery and she has some follow-up questions
7 that might not be on all squares but are sort of the
8 same nature as 20 or 26 that you asked, I'm probably
9 going to let her update those as well.

10 So I want everybody to get an initial
11 set, a review by opposing counsel, and then a response
12 out to where we both think we're all on the same page.

13 MS. TAYLOR: I have no objections,
14 Your Honor. I will be cooperative with Ms. Perky on
15 that. Certainly, if she has an update, we'll try to
16 answer with information we have available.

17 And to the extent -- I don't know if I
18 should make offers in the middle of the courtroom, but
19 if we want to update on an every-two-month basis, if
20 we're still going on, as to bank accounts and credit
21 cards, I have no objections to exchanging those on a
22 personal basis. I do think there's a responsibility to
23 each party and each attorney to keep the information
24 moving as the case moves long.

25 THE COURT: I don't think she's

1 Ms. Taylor, am I hearing you correctly that if your
2 client could get an image of that drive, then
3 pending -- pending maybe a mediation or something of
4 that nature, she wouldn't necessarily be opposed to him
5 using it in the interim?

6 MS. TAYLOR: Yes, Your Honor. We're
7 not going to pack the whole case up over the MacBook.

8 THE COURT: Okay. All right.

9 MS. TAYLOR: It was owned by the
10 business. When other employees have left, they've
11 returned theirs. If we can get the image and we
12 will --

13 THE COURT: And I'm not deciding
14 ultimate ownership of the Mac for right now. He says
15 he uses it to travel, and he has a desktop. She has a
16 laptop. So let's get an image of it made. LogicForce
17 I know can do it. There are other companies that can
18 do it. It shouldn't take very long.

19 Are you-all all downtown? LogicForce
20 I know --

21 MS. TAYLOR: LogicForce is probably
22 one block between Ms. Perky's office and my office. We
23 could meet there and grab lunch downstairs.

24 MS. PERKY: Get a glass of wine.

25 THE COURT: That's right. And the

1 objecting. I think she's objecting because she hasn't
2 gotten anything from you. I don't think she's
3 objecting to updating or supplementing in principle, I
4 think she's saying, I just need to get something first
5 before I supplement.

6 MS. TAYLOR: I understand that, Your
7 Honor. And, again, this was the issue with
8 Mr. Turner --

9 THE COURT: I know. I know. I'm
10 trying to say, new day. Everybody swap responses.
11 You've had a chance to ask her to update, supplement,
12 even provide a little new information. I'm going to
13 give her the same opportunity after she receives your
14 responses.

15 MS. TAYLOR: Thank you so much.

16 THE COURT: All right. And, then,
17 what we're going to do on the SD card is if he finds
18 it, then he -- he can -- I don't think there's any
19 reason why he shouldn't be able to make a copy of the
20 data and keep it, not necessarily use it except for
21 purposes of the litigation, to the extent he needs to
22 use it for the purposes of the litigation, and then
23 provide the original to Ms. Gentry.

24 All right. Now, I want to hear a
25 little bit more about the MacBook. But I think --

1 image should not take more than just a few hours,
2 Ms. Perky.

3 MS. PERKY: And whose expense will
4 that be, Your Honor?

5 THE COURT: Let me just sort of
6 reserve that until I hear this. I'm trying to remember
7 the last time I had images made, what they charged.
8 I'm thinking it's a three- or four-hundred-dollar
9 charge for a hard drive image, if I remember correctly.

10 MS. TAYLOR: It depends on how far
11 they go into it. If they discover that something's
12 been erased, they will notify us, if things have been
13 deleted, and that can get a little more complicated. I
14 think we can work with them and get an answer.

15 THE COURT: All right. Let me make
16 sure that we're on the same page. I'm ordering that he
17 provide the image. That's what Ms. Perky is asking me
18 to determine, with respect to who's going to pay for
19 the cost of the image.

20 From that point on, you may choose to
21 have it forensically analyzed. And I'm not doing
22 anything with that yet.

23 MS. TAYLOR: Yes, Your Honor.

24 MS. PERKY: So who's got to pay for
25 the image?

THE COURT: I haven't done anything with the image yet. I want to hear the testimony in this hearing, get a better idea where these parties are financially before I decide that.

I'm just saying that for purposes of today, the only LogicForce or similar company charge I'm dealing with is the image charge, not the forensic analysis charge.

MS. TAYLOR: If my client decides that she wants to have a forensic analysis at the same time it's in their possession, then she will pay for that.

THE COURT: That's right. And then we can deal with that later on if there's some sort of modification of data or anything like that.

MS. TAYLOR: Yes, your Honor.

THE COURT: All right.

MS. TAYLOR: Also, in the original discovery, there are still original documents in the possession -- original business documents in the possession of Mr. Gentry, and these are documents that are outside of the documents on the computer.

THE COURT: Are they documents that have independent, legal significance, like a title, or a deed? Or are these simply, you know, a QuickBooks account or -- do the documents themselves have

documents relate to the years prior to the marriage. So they were Ms. Gentry's documents for the business she had even before the marriage, and those are now in his possession.

But I'm certainly willing to move this along, get the copies of all those now, and reserve the fact at the final hearing that he be ordered to return the originals.

THE COURT: That's a different issue, obviously. And if she's willing to say let's wait and decide that until then, yeah, I'm not going to do anything with that now. We can just wait until final hearing.

MS. PERKY: But I just want it clear for Your Honor, we've already provided copies of every single document.

THE COURT: I think what she's saying is, with respect to returns that existed before Mr. and Ms. Gentry were married, that --

MS. PERKY: Return to the business.

THE COURT: Yeah. But she's not even pushing that right now. She's saying let's move that along and let's not let this hold us up.

Does that handle our motion to compel -- our competing motions to compel?

independent, legal significance?

MS. TAYLOR: Some of them do, in the sense they're the corporate tax returns for prior years, say '08, 2008 and 2009. The -- there were some documents that a prior accounting firm prepared for the business prior to the time Mr. Gentry took over, and those documents are in his possession.

THE COURT: Okay. Those documents I'm fine with them providing a copy of.

MS. PERKY: We've already done it, Your Honor.

THE COURT: Okay.

MS. PERKY: We provided both a copy on a stick and also hard copies to them.

THE COURT: Okay.

MS. PERKY: So, I mean, we're going around and around about issues that aren't even --

THE COURT: Well, I mean, that's why I asked. If we're talking about a title or a deed, a stock certificate, then the fact it's an original, I think, has some legal significance. But it doesn't sound like -- you know, tax returns, the IRS, you can get a copy of your IRS returns from the IRS. So --

MS. TAYLOR: Your Honor, if we can get copies -- one of the issues is that many of these

And by the way, on attorney's fees, I'm going to reserve all attorney's fees questions until -- at this point -- I may reserve them until the end of this hearing. I may reserve them until later. I don't know. But I'm at least going to reserve it for now.

MS. TAYLOR: Your Honor, if I could, so it's clear, on that Account 2557, could we do possibly, as I suggested, have Mr. Gentry get the ones for 2014 to date, and if we want behind that, we get an authorization?

MS. PERKY: Your Honor, we are happy to provide them, but he doesn't have the funds -- I mean, it kind of depends on what Your Honor decides today. If he --

THE COURT: Let's do this. What months -- you said there were three transactions?

MS. TAYLOR: Two or three.

THE COURT: All right. Whatever months those cover, provide those statements. That's not a lot.

MS. PERKY: The months --

THE COURT: Of the transactions.

MS. PERKY: We don't -- he says he doesn't know what months they're even talking about.

1 He testified about an eight-dollar transfer.
 2 THE COURT: Now, hang on here a
 3 second. If she's saying that there's a transfer from
 4 Checking Account 9524 to the whatever -- help me with
 5 the number, Ms. Taylor.
 6 MS. TAYLOR: There are transfers
 7 between Account 9524 and Account 2557.
 8 THE COURT: Okay. That's enough. Are
 9 either of those accounts open now?
 10 MR. GENTRY: The 2557 is closed.
 11 THE COURT: That wasn't my question.
 12 MS. PERKY: I mean, yes, the other
 13 account is open. That's the -- yeah.
 14 THE COURT: All right. It's going to
 15 show on the statement that there was a transfer from
 16 that account to the other account.
 17 MS. TAYLOR: That's how we found out
 18 about it.
 19 THE COURT: So he can tell from his
 20 9524 checking account which months are necessary for
 21 the -- I'll just write it down on a piece of paper --
 22 2557. Am I getting that right? Whatever that number
 23 is, whatever the closed account number is.
 24 He should be able to tell, Ms. Perky,
 25 from the 9524 account that is still open, here are the

1 they can make sure that the business is being run
 2 properly.
 3 Also, Your Honor, we have the issue of
 4 money. We would like for the Court to order that
 5 husband's draws as an owner of the business resume. In
 6 December of 2014, she -- Ms. Gentry allegedly
 7 terminated Mr. Gentry and stopped any kind of, you
 8 know, draws that he received from the business,
 9 although, at that time, they were receiving the same
 10 amount of compensation.
 11 And in the alternative, if the Court
 12 says, No, we believe what she says, he was just an
 13 employee, then we want pendente lite support and we
 14 want it consistent with what he had been earning in the
 15 business, his draws from the business. Otherwise, Your
 16 Honor, Ms. Gentry is going to be receiving, you know,
 17 not only her compensation but also what Mr. Gentry's
 18 compensation was, and she'll be dissipating a marital
 19 asset.
 20 THE COURT: All right. Tell me
 21 again -- all right. So I've got three things. You
 22 want a finding of contempt for violation of the
 23 statutory restraining order, a decision with respect to
 24 what Mr. Gentry's role is going to be with respect to
 25 the ongoing operation of Sweet Wise, and then the third

1 two or three transactions. It may only be one month.
 2 It may be two months. It's going to be a maximum of
 3 three months. He can provide those statements.
 4 Anything past that, they can get with an authorization.
 5 Now we're sort of coming to our second
 6 petition and our motion to determine control of the
 7 business. Tell me, Ms. Perky, what are the -- what are
 8 the distinct issues that you're wanting me to address
 9 in these two motions?
 10 MS. PERKY: First, Your Honor, we
 11 want -- it's a petition for civil contempt. So we'd
 12 like a finding with respect to that, if she's in
 13 contempt of the statutory restraining order for the
 14 conduct that she's engaged in.
 15 Also, we want the Court to determine
 16 who is going to be running this business from now until
 17 the final hearing -- I mean, not a determination of who
 18 owns the business; I think that's an ultimate issue
 19 for, of course, the Trial Court to make at the final
 20 hearing -- just to say who's going to run it.
 21 Obviously, these parties cannot get
 22 along and we need one person to be in control. And
 23 then, also, the person who doesn't necessarily have
 24 control of the business, what kind of access they're
 25 going to have to books, records, that kind of thing, so

1 issue would be what form of income he's going to have,
 2 either in the form of a draw or spousal support.
 3 MS. PERKY: Yes, Your Honor. We're
 4 also seeking compensation or reimbursement from the
 5 time of December 2014 through the present. During this
 6 time, Ms. Gentry has obviously been taking draws from
 7 the business. Mr. Gentry has had no money whatsoever
 8 and is relying on credit cards.
 9 THE COURT: All right.
 10 MS. PERKY: He also wants to be
 11 reimbursed for his rental car that he was required to
 12 acquire as the result of Ms. Gentry taking away his
 13 vehicle.
 14 And then we're also asking for
 15 attorney's fees associated with the contempt.
 16 THE COURT: Okay. Now, Ms. Taylor, we
 17 don't have -- I've dealt with your motions; correct --
 18 your motion to amend and your motion to compel?
 19 MS. TAYLOR: Yes, Your Honor.
 20 THE COURT: So we're here now on
 21 Ms. Perky's. Any reason why I can't just have one
 22 hearing and address all these issues?
 23 MS. TAYLOR: That's seems efficient to
 24 me.
 25 THE COURT: Okay. Is that okay with

<p style="text-align: right;">Page 42</p> <p>1 you, Ms. Perky?</p> <p>2 MS. PERKY: Yes, Your Honor.</p> <p>3 THE COURT: Let's do that, then.</p> <p>4 Since these are your motions, I'll let you begin. Oh,</p> <p>5 do we have any witnesses that are going to testify? Do</p> <p>6 we need the rule?</p> <p>7 MS. TAYLOR: Yes, we do, Your Honor.</p> <p>8 THE COURT: All right. Anybody that's</p> <p>9 going to testify, you'll need to wait outside. Don't</p> <p>10 talk to each other about your testimony in the case.</p> <p>11 Don't talk to anybody else that might wander by until</p> <p>12 you're called.</p> <p>13 MS. TAYLOR: Your Honor, on the issue</p> <p>14 of the civil contempt motion, I would like to make an</p> <p>15 opening statement, I guess, in response to Ms. Perky.</p> <p>16 THE COURT: Okay. Sure.</p> <p>17 MS. TAYLOR: In contempt, it's to be a</p> <p>18 finding of contempt when there is a specific act that</p> <p>19 has been violated. If an order is ambiguous as to</p> <p>20 interpretation, that is not an order that is to be</p> <p>21 subject to contempt.</p> <p>22 The allegations they have made against</p> <p>23 Ms. Gentry in the petition for contempt are not orders</p> <p>24 or violations that are specifically enjoined pursuant</p> <p>25 to the statutory injunction.</p>	<p style="text-align: right;">Page 44</p> <p>1 in this injunction that prohibits someone from</p> <p>2 canceling a credit card if it's being misused.</p> <p>3 THE COURT: Okay. What about No. 8 in</p> <p>4 their second amended petition? Respondent is willfully</p> <p>5 and deliberately failing to pay the parties' marital</p> <p>6 and business -- well, forget the business part. Let's</p> <p>7 just assume, for example, you're right about that. I'm</p> <p>8 not saying you are, I'm just saying for purposes of</p> <p>9 this. -- at the time to timely pay the parties'</p> <p>10 marital bills and debts.</p> <p>11 Eleven. Respondent has awarded</p> <p>12 herself substantial bonuses to dissipate the company's</p> <p>13 assets.</p> <p>14 I'm taking 12 to, essentially, be a</p> <p>15 subset of 11, withdrawing \$5600 in extra compensation.</p> <p>16 Seventeen. Are there any credit cards</p> <p>17 other than the business credit cards that are at issue</p> <p>18 here?</p> <p>19 MS. PERKY: No. I mean, we're just</p> <p>20 talking about the business cards. I mean, there's</p> <p>21 one --</p> <p>22 THE COURT: All right. There aren't</p> <p>23 any joint, individual credit cards that have been</p> <p>24 canceled?</p> <p>25 MS. TAYLOR: No, Your Honor.</p>
<p style="text-align: right;">Page 43</p> <p>1 They put the statutory injunction in</p> <p>2 36-4-106(d) and rely on it to claim that Ms. Gentry's</p> <p>3 actions are in violation of that. There is no</p> <p>4 allegation that she has transferred or assigned marital</p> <p>5 property, nor has she allowed insurance to lapse.</p> <p>6 There was an issue with nonpayment of</p> <p>7 an insurance bill because BlueCross BlueShield coded it</p> <p>8 incorrectly. But once Ms. Gentry found out about that,</p> <p>9 she had everything put back so the health insurance</p> <p>10 was, in fact, reinstated, even though Mr. Gentry didn't</p> <p>11 want health insurance. And we have not destroyed</p> <p>12 evidence.</p> <p>13 So they make a very broad statement</p> <p>14 that Ms. Gentry has removed him from all of the</p> <p>15 parties' bank accounts. The parties had no joint bank</p> <p>16 accounts. There were no personal bank accounts. He</p> <p>17 was a signer of the business account, and he was</p> <p>18 removed as a signer, but he's not an owner. He was</p> <p>19 never on the title to the account. He was only a</p> <p>20 signer on that one account. There were no other joint</p> <p>21 accounts.</p> <p>22 They claim that she canceled his</p> <p>23 business debit -- credit card, which was eventually</p> <p>24 canceled after a request not to use it for personal</p> <p>25 use. But I submit to the Court that there is nothing</p>	<p style="text-align: right;">Page 45</p> <p>1 MS. PERKY: No, Your Honor.</p> <p>2 THE COURT: Okay. All right. So what</p> <p>3 about 8 and 11, to the extent it deals with marital</p> <p>4 debts and dissipating the assets of a marital -- or</p> <p>5 dissipating the value of a marital asset? Even if he</p> <p>6 doesn't have stock ownership interest, he may have some</p> <p>7 sort of marital interest in the value of Sweet Wise.</p> <p>8 MS. TAYLOR: Regarding No. 8, my</p> <p>9 client has timely paid the business bills and debts.</p> <p>10 So -- and I would submit to you, Your Honor, in a</p> <p>11 petition for contempt, you have to be specific as to</p> <p>12 the --</p> <p>13 THE COURT: Which debts haven't been</p> <p>14 paid?</p> <p>15 MS. TAYLOR: -- time, date, place,</p> <p>16 what hasn't been paid.</p> <p>17 THE COURT: Okay.</p> <p>18 MS. TAYLOR: There is no specificity</p> <p>19 here, and that claim should be dismissed. There's just</p> <p>20 this broad statement.</p> <p>21 Regarding marital bills, the parties</p> <p>22 have not been living in the same home since June -- or</p> <p>23 July -- June or July of 2014, and they have had no</p> <p>24 joint marital bills to pay.</p> <p>25 They previously lived in a home on</p>

Navajo Court in Goodlettsville. Ms. Gentry and her children from a prior marriage moved out in June. Mr. Gentry always paid the bills to that home. Ms. Gentry has paid the bills to the residence that she is renting. So, again, there's no -- there's no marital bill that was unpaid.

THE COURT: Okay.

MS. TAYLOR: Again, we had the issue with the health insurance when BlueCross did not code the payment correctly. But once that was determined, it was immediately -- Ms. Gentry sent e-mails and said, Immediately we'll take care of that and get back on the policy.

That was not an act by her. That was an act by BlueCross BlueShield.

THE COURT: All right. Before we begin with our proof, the very first case I did was a case very similar to this. We had a business that was owned by one of the parties beforehand. The parties were married. The small -- I think that was an S corp versus -- is this an S corp, I think? I can't remember. I think it is a corporation.

Neither of those lawyers ever provided me a lot of law on what happens when you have this sort of relationship. So I'll ask both of you before we

the case law with me because I wasn't -- I wasn't aware that this was going to be an issue. However, I've done extensive research.

The Court of Appeals has held on numerous times that you can have an implied business relationship, whether or not there are stock certificates entered or not. They've had cases where a husband and a wife, the husband has a business before the marriage. The wife, you know, joins up with him and works really hard, you know. If it's like a house cleaning business, she's on the floor cleaning the house and everything, doing the same kind of thing he's doing. And the Court says, Yeah, it was his business before, it's all in his name, and we're going to find an implied business partnership.

THE COURT: So that would be the theory that you're pursuing now. Wouldn't a lot -- wouldn't a substantial portion of the relief that you're requesting turn on how that legal issue is resolved, whether it's in your favor or against your client?

MS. PERKY: I don't think so, not today, Your Honor. I don't think we're asking for you to determine whether or not this business is a joint venture or not. I think that what he's asking for is

begin, are there cases out there where this -- where the Court of Appeals or Supreme Court has given the lowly trial courts some guidance with respect to how you deal with this circumstance? I don't think there's any dispute that he doesn't have stock certificates in his name; correct?

MS. PERKY: Well, I think at some point they had -- I mean, they had discussed putting stock into his name, and she had agreed to do that. And she had also agreed and he had agreed to put five shares of the stock in this other gentleman who's out in the hall's name.

MR. GENTRY: She issued the stock.

MS. PERKY: She issued the stock and then she refused to give it to him, essentially. She got mad at him and said, Well, if we're not getting back together, I'm not going to give it to you.

THE COURT: All right. But right now he doesn't have possession of any stock certificates that show he has an ownership interest.

So what I'm asking is, given that set of circumstances, is there any guidance for me out there with respect to how I handle this claim of employee versus owner?

MS. PERKY: Your Honor, I didn't bring

either, one, he's been in a -- he is an owner of this business and he's entitled to the draws, or, alternatively, that he is entitled to pendente lite support consistent with what he's always received.

THE COURT: All right. I'll give you that we're going -- I know we're going to hear testimony about what his needs are, what his expenses are. But you also are asking for me to hold Ms. Gentry in contempt. And a lot of the issues do relate to the business.

You're asking that Mr. Gentry be allowed to have a say in running this business on a day-to-day basis. And, certainly, that would -- that question would turn on whether there is, in fact, an implied business relationship or not. And, again, I don't know the answer. I don't know how I'm going to resolve that question today.

MS. PERKY: Your Honor, I mean, it's our position that the Court, in my understanding, wants to maintain the status quo; right? If somebody files for divorce, we want to make sure it stays the same, that someone doesn't go in and try to take away all the money, change all the accounts, and leave the other person destitute. That's what's happened in this case. We're just trying to get back to the status quo.

The status quo was he was in the business running it with her. And, actually, our proof is going to show that he ran the business and she kind of stepped out of the business. He was much more involved in the business than she was and he was primarily responsible. We have an employee out in the hall who will testify to the same. It was Mr. Gentry who really ran this business, not Ms. Gentry.

For her to push him out of the business and not give him any access to the business -- this is probably the largest marital asset that they have.

THE COURT: But isn't the status quo the financial status quo? Isn't that what you're talking about?

MS. PERKY: Well, I don't think -- not if they run a business and that's where all their income comes from. I mean, I think it's also maintaining a status quo with respect to all the assets. I don't think one party is allowed to take a business and do something completely different with it than what's done during the marriage.

I mean, if she decided to take all the money out of the business -- you know what? I'm going to bankrupt the business. That would be dissipation of

matter how I act.

We have a situation, I submit to the Court, when we get into the proof, that will show that Mr. Gentry quit. He returned all the files. He quit.

Then they discussed some time when he came back. Ms. Gentry tried to work with him. Then before the determination there were issues with misuse of company funds by him. That's our allegation.

There were issues of behavior that was not acceptable in the workplace. Tennessee is an at-will state. You can terminate an employee, which is what happened.

At the same time, prior to the termination, Mr. Gentry was saying, I am going to transition out of Sweet Wise.

He has another business he's going to start. I'm transitioning out; see how you do it without me. And then we get to the point there's an at-will termination. So that is what happened. Again, he can't provide that.

THE COURT: Okay.

MS. TAYLOR: In terms of, also, the contempt and the status quo, you had asked about the -- awarding a bonus. We submit to you that Mr. Gentry -- we don't deny what Mr. Gentry did in the business, nor

a marital asset.

THE COURT: Okay. Sure. Ms. Taylor, you sort of see where I'm thinking. And if I keep on asking you questions, we are going to be here until 6:30, and I don't want to do that. I want to get to the proof pretty quickly. But I will let you, since I asked Ms. Perky a few questions on that, tell me what your thoughts are on that.

MS. TAYLOR: I do not know of cases where there has been an implied partnership in a marital estate. You may have a business in one party's name they had before the marriage. The other party may make claims that he or she worked in the business during the marriage. And the issue goes to the appreciation in value during the marriage and their claims to that. That is very separate from the ownership of this business.

THE COURT: Okay.

MS. TAYLOR: Which I think that's where we are. I also submit to the Court that the statutory injunction does not provide one party, who at that point in time is an employee of the business, to be a bad employee or an employee who does things they shouldn't be doing and then hide behind the injunction and say, I continue to work here and obtain money no

do we deny all that Ms. Gentry did, the fact that she's had this business since 2001 -- or its precursor, same name.

The injunction enjoins both people -- let's see. While you continue expenditures to maintain the standard of living, the usual and ordinary course of operating a business are not restricted by this injunction.

So if a bonus was made -- and, again, the bonus, they make a claim that she took extra compensation, and there's no proof of a date or any information on that. As an owner, she could take extra compensation. It needs to be accounted for to the Court, and Mr. Alexander will certainly do that.

In addition, the proof will show that previously in the calendar year of 2014, Mr. Gentry took additional money out of the company that should rightfully be considered as income, not a business expense.

So I submit to you that that's not contempt and it's not a situation to make someone an implied owner of the business. There's not that.

Also, Your Honor, in this business, the K-1s that were prepared each year by Mr. Gentry, as the accountant, all show Ms. -- say, Ms. Gentry,

1 100 percent shareholder. So the documents he's
2 preparing to file with the IRS all show Ms. Gentry as
3 the 100 percent owner.

4 THE COURT: Okay. All right.
5 Ms. Perky, I'm going to let you begin with your proof.
6 I'm most interested in his income and expenses and his
7 need to continue some form of income. I don't want
8 to -- well, let's start with that, and then you can put
9 on the additional proof you think is necessary to
10 establish the elements that you would posit are
11 required to create this business relationship; okay?

12 All right. I know, look, I'm new.
13 Just bear with me. I'm trying to make sure I figure it
14 out. Some of these issues aren't easy for me.

15 MS. PERKY: Me either, Your Honor.
16 I'm going to call Mr. John Gentry to
17 the stand.

18 THE COURT: All right. Now,
19 Mr. Gentry, go ahead and sit there and let Reverend
20 Duncan swear in you.

21 (Witness was sworn.)

22 THE COURT: All right. Now, can he
23 hear you through the -- see the microphone that's right
24 in front of you? That should be working.

25 MS. PERKY: Mr. Gentry, can you hear

1 Q. And what was your compensation in 2007?

2 A. About 86, \$87,000.

3 Q. And then in 2008 where were you employed?

4 A. In 2008 I had -- was working with this
5 company in Washington, D.C. They went out of business.
6 And I started probably toward the end of 2008 helping
7 Kathy with Sweet Wise without compensation.

8 Q. Okay. And how much did you -- how much did
9 you earn in 2008 from outside Sweet Wise?

10 A. 2008 was a partial year. About 62, 63,000.

11 MS. PERKY: Okay. I've got an
12 exhibit, Your Honor.

13 THE COURT: You can give it to
14 Reverend Duncan, here.

15 BY MS. PERKY:

16 Q. And, Mr. Gentry, can you identify this
17 document for me, please?

18 A. It's a comparison of Kathy's W-2 income to
19 my W-2 income.

20 Q. Okay. And the documents that are attached
21 behind it, were those the documents that you used in
22 order to create this itemization on the first page?

23 A. Yes, they are. It's financial statements
24 for 2007, and then our actual W-2s for 2008 forward.

25 MS. PERKY: I'd like that entered as

1 me?

2 THE WITNESS: Yes.

3 THE COURT: Okay. We ought to be able
4 to work through that for right now.

5 JOHN ANTHONY GENTRY,
6 was called as a witness, and having been duly sworn,
7 was examined and testified as follows:

8 DIRECT EXAMINATION

9 BY MS. PERKY:

10 Q. Please state your name for the Court.

11 A. John Anthony Gentry.

12 Q. Mr. Gentry, when were you married?

13 A. Say again.

14 Q. When were you married?

15 A. September 5th, 2009.

16 Q. And what was your employment in 2007?

17 A. Prior to joining Sweet Wise, I was a
18 certified public accountant, director of finance for a
19 service industry company in Washington, D.C. I managed
20 the budget of about 17, \$18 million, had a payroll for
21 a thousand employees and all of the corporate services,
22 HR, IT, everything on the corporate side of the
23 business.

1 the first exhibit, Your Honor.

2 THE COURT: All right. That will be
3 Exhibit No. 1.

4 (Marked Exhibit 1.)

5 BY MS. PERKY:

6 Q. And what was Ms. Gentry's employment at the
7 time of the marriage, Mr. Gentry?

8 A. Kathy was a sous chef, and she made cakes
9 out of her home for extra money before she started
10 Sweet Wise.

11 Q. Okay. When was Sweet Wise started?

12 A. Sweet Wise, in its initial form, as I
13 started working with her, was a mom-and-pop sort of
14 cake, candy, and pastry supply store. That was started
15 in 2006.

16 Q. And according to your spreadsheet, what was
17 Ms. Gentry's gross income from Sweet Wise in 2007?

18 A. 2007, I don't know exactly. It's
19 commingled with payroll taxes and also with another
20 part-time employee, but it was -- the total account
21 balance was \$13,400. My guess is probably around
22 11,000 or 12,000 was her payroll.

23 Q. Okay. And what about in 2008?

24 A. 2008, her W-2 was \$11,500.

25 Q. Okay. And can you identify -- can you

1 identify this document for me, please?

2 A. This is a graph showing the revenue growth
3 of Sweet Wise from 2006 to 2013.

4 Q. And are the documents that are attached
5 behind the itemization the documents that you used in
6 order to create the itemization?

7 A. Those are the 1120S's, the corporate tax
8 returns for the company.

9 MS. PERKY: I would like that entered
10 as the next exhibit, Your Honor.

11 THE COURT: All right. That will be
12 Exhibit 2.

13 MS. TAYLOR: Your Honor, I would like
14 to look at that and see if there is an objection.

15 THE COURT: All right.

16 MS. TAYLOR: Your Honor, I certainly
17 object to some of this information, as it goes back to
18 2006, 2007, and 2008 regarding Sweet Wise. If we refer
19 back to the discovery information that we were alluding
20 to, some of those were the documents that we did not
21 have. Mr. Gentry has the originals. And, also, that
22 business in 2006, 2007, 2008 was before the marriage,
23 owned by Ms. Gentry. So I don't know his -- his access
24 to those records, nor have they been provided. Those
25 are the original records we were asking for.

1 my client.

2 THE COURT: All right. I'm going to
3 let the exhibit come in. Ms. Taylor, you're going to
4 certainly have the opportunity to cross-examine him
5 with respect to this chart.

6 You know, ultimately, I think the
7 chart probably will have some relevance. As far as
8 today's hearing, it might only have relevance with
9 respect to the date of the marriage forward, but
10 certainly there's no harm in this coming in.

11 So I'm going to let it come in, and
12 then you can cross-examine him on it.

13 MS. PERKY: Thank you, Your Honor.

14 (Marked Exhibit 2.)

15 BY MS. PERKY:

16 Q. Mr. Gentry, what was Sweet Wise's annual
17 revenue in 2006?

18 A. 2006, it was \$116,000.

19 Q. What about 2007?

20 A. It dropped down to 91,250.

21 Q. And what about in 2008?

22 A. 149,000.

23 Q. Now, in late 2009, did you have any
24 discussions with Ms. Gentry about joining Sweet Wise?

25 A. I did. I was looking at an opportunity to

1 MS. PERKY: Your Honor, would you like
2 for me to respond, Your Honor?

3 THE COURT: Yes, I would.

4 MS. PERKY: In response, Your Honor,
5 the documents have been provided to counsel. Those
6 were the documents that were copied and provided to
7 counsel. They were also -- I want to clarify, Your
8 Honor, that he hasn't done anything underhanded to get
9 these documents. He had access to all of this stuff
10 when he worked at the business. And the copies of all
11 of these documents are in the possession of opposing
12 counsel; the originals are not.

13 And so I think that -- and, again, I
14 think that this information, Your Honor, is going to be
15 relevant to the Court to kind of see the -- to get the
16 financial picture for these parties in order to set
17 support or to set whatever his draw is going to be from
18 the company going forward, and to see what kind of
19 efforts he has made in growing this business.

20 I think it's very relevant to kind of
21 see the big financial picture, Your Honor. I mean, I
22 don't know what their proof is going to be. I hope
23 that they're not going to get up and try to say that
24 the business isn't successful and making money, but
25 they might. And so I need to put that proof on through

1 take a position with Gap, which is a large clothing
2 manufacturer, an excellent opportunity, a lot of growth
3 potential with Gap.

4 I had been working with Kathy since 2008,
5 just helping her organize the store, organize
6 inventory, get it functioning the way a business should
7 function, and I saw an opportunity. People would come
8 in the store and say, you know, Hey, I really like this
9 store. And that's something you don't hear very often.

10 So I talked to Kathy and said, you know,
11 I've got this opportunity with Gap, but I think there's
12 a great opportunity for us to partner together with
13 Sweet Wise and we can take this thing off.

14 And so we made a joint decision together
15 that we would partner together and continue to try to
16 build Sweet Wise.

17 Q. So did you forego other employment
18 opportunities in order to work at Sweet Wise?

19 A. I did not pursue the Gap position. I
20 declined a second interview with them and I did not --
21 customarily, after the first interview, I would follow
22 up with a thank-you letter and tell them how excited I
23 would be to join the company. And I didn't pursue
24 that, either, after Kathy and I agreed we wanted to
25 partner in Sweet Wise.

Q. So after you joined Sweet Wise in 2009, tell the Court what kind of things you did.

A. Well, Kathy was the expert baker and cake decorator. She's really good with that part of the business, where I was the expert with the business side of the company.

I created every process, every system for Sweet Wise, from how we interview and hire employees, to how we fulfill orders that we ship out, to creating internal controls, safeguarding cash for the company, really just everything.

I started out in 2009 and I built a pricing model, where I took the cost and assigned a certain markup percentage based on the cost to achieve a certain level of profitability. So I looked at Kathy and said, How much money do you want to make?

And she said, Well, I would like to make a \$100,000 a year. That would be great if I could do that.

So I said, Okay, well, we'll build a pricing model that will achieve that level of income for the company and we'll see what happens.

And the company just started taking off from a profitability point initially there. After that, I just continued on.

THE COURT: All right. Tell me again, since I'm not familiar with these terms, what type of sugar?

THE WITNESS: You can take table sugar and you can cook it with water and corn syrup, and you can shape it like --

THE COURT: All right. What's the --

THE WITNESS: It's really, really --

THE COURT: What's the term of art? Blown?

THE WITNESS: Blown sugar.

THE COURT: Okay. thank you.

THE WITNESS: So once we had the new classroom space, I started negotiating with Groupon. And, typically, Groupon normally does a revenue share of 50-50, and I said, That is not going to work for us, we need to do 70-30. And nobody gets that, but I was able to get that with Groupon.

And when we first launched our first Groupon campaign, from that point forward our Saturday business doubled, as well as our weekly traffic picked up significantly.

From there, we used the money and the profit from that and we rebuilt our Web site. I started outsourcing -- one of the gentlemen that's

We started -- Kathy was kind of purchasing on the fly. It was very expensive for shipping charges. So I started pooling, and instead of purchasing, you know, two or three or four times a week, we started purchasing once a month and having it come in on a pallet. The first year, that probably saved us seven or ten thousand dollars in shipping charges. Which, at that time, for the company, that was pure profit. That was a big change for the company.

We had Roland Mesnier, the White House pastry chef, that came in and taught a class on pulled and blown sugar. I took an interest in it. Pulled and blown is kind of the pinnacle of pastry arts, and I spent about 80 to 100 hours learning how to do this. We created a class at Sweet Wise, and I taught the class.

We wanted to expand the business and open up a classroom, but we didn't feel we could afford the classroom space. And I said, Well, we'll use the revenue from the sugar class to pay for the classroom.

So all of the revenue that was generated from that new class that I started paid for us to double our space. And I taught that class for the first several months.

going to testify today is from Macedonia. It's in Eastern Europe. It's a little small country north of Greece.

The functions that we outsource over there, they pay about 10 cents on the dollar to what we would pay here. So I started outsourcing the purchasing to Dancho, paying him \$25 a week. He was happy to make that kind of money. It was, you know, a fair amount for him, and it was next to free for the company.

A company like Sweet Wise -- that's -- you know, outsourcing to Europe like that is something like Dell Corporation or somebody would do. That's not something that a small mom-and-pop operation would be able to accomplish.

Because of my experience in Washington, D.C., with bringing labor over on J-1 visas for summer work programs, I maintain a lot of relationships with people in Eastern Europe.

So we continued to outsource all of our customer service. I trained our accountant, who does all of our bookkeeping, all of our financial reporting. He's in Bulgaria. And we outsource all of our marketing and IT over there as well.

On a yearly basis, outsourcing to

1 Eastern Europe saves us between 150,000 and \$250,000
2 every year.

3 Building our Web site, we probably
4 saved \$300,000 -- easily \$250,000 we saved in building
5 our Web site over there.

6 We continued to develop -- we built a
7 mobile Web site. We built a wholesale Web site. We
8 added a gallery where customers could upload pictures.
9 On average, we would spend a thousand dollars a
10 month -- in U.S. dollars that would be about \$10,000 a
11 month -- on the development. All the ideas for
12 development came from me.

13 I would see something cool on a Web
14 site and say, Hey, I want to do that. And I would work
15 with the guys, build -- I would write the logic
16 myself -- "if this, then that" clauses -- for the
17 programming that went into the Web site.

18 Toward the end, in 2014, I was annoyed
19 with our largest supplier, who is a wholesale company,
20 and I said, You know what? I'm kind of tired of doing
21 business with you guys, and we're going to start doing
22 manufacturer-direct. We're big enough to do it.

23 So I went in and I actually ran the
24 cash register in the store to help pay for that so that
25 we could afford to start buying bulk. And it was a

1 length, we were able reduce our shipping cost by almost
2 \$50,000 a year. Not just from changing the size of the
3 boxes, but I also negotiated a new dimensional weight
4 factor with UPS.

5 UPS takes length times width times
6 height, and they divide it by a factor, and that's a
7 surcharge that they add on. So even though you have
8 maybe 10 pounds in a box, if the box is really big,
9 they'll charge you for 20 or 30 pounds, which increases
10 your shipping a lot.

11 So by my going in there and shipping
12 for August, September, October, part of November,
13 almost four months shipping, we found a way to save the
14 company \$50,000 a year.

15 And right up at the end, I think the
16 day before I got fired, I negotiated a 40,000-dollar
17 sale with a company in the UK.

18 BY MS. PERKY:

19 Q. Okay. So how many hours -- you've told the
20 Court a lot about all the things that you did for the
21 business. How many hours per week did you work
22 approximately?

23 A. It varied tremendously. I would get on a
24 project and really dig in, and sometimes I would work
25 as much as 300 to 360 hours a week. It wasn't uncommon

1 tremendous change for the business. It cut our cost of
2 goods sold by 30 percent to be able to buy
3 manufacturer-direct instead of buying from a
4 wholesaler, which allowed us to start acting like a
5 wholesaler.

6 And I created a new niche market for
7 us. So, typically, you could go out and buy, say, a
8 bakery box and buy maybe a single box for a dollar or
9 six boxes for \$5 or something, and the next option was
10 to buy a case of 500. So I created a niche market and
11 we started repackaging as Sweet Wise and selling. So
12 instead of buying 1 or 500, you could buy 25 or you
13 could buy a hundred. And that was probably the biggest
14 contributor to our success in 2014.

15 At the end of 2014, we fired our
16 shipping manager and I decided to go in and start
17 shipping myself. So as a certified public accountant,
18 I went in and started packing boxes and printing U.S.
19 labels -- UPS labels and sending these packages out.
20 And I did that because I wanted to evaluate the
21 efficiencies of the processes at Sweet Wise and how we
22 shipped boxes.

23 And what I found was just by
24 increasing the cubic inches, maybe adding another 100
25 cubic inches to a box or adding another inch to the

1 for me to work a 60-, 70-hour week sometimes.

2 Q. Stop, stop, stop. You said 360 hours per
3 week. I don't think that's possible.

4 A. Per month. Per month.

5 Q. Per month. Okay.

6 THE COURT: All right.

7 THE WITNESS: About 60 hours a week.

8 BY MS. PERKY:

9 Q. Sure.

10 A. And then sometimes I would pull back. I'd
11 get off of a project and I would cut back and maybe do
12 10 or 20 hours a week for a couple weeks before I would
13 dig into the next project.

14 Q. So has this been your sole source of
15 employment since 2009?

16 A. Yes, it has.

17 Q. And you've gone into detail about the type
18 of things that you did at the business. What types of
19 things did Ms. Gentry do at the business after you
20 joined in 2009?

21 A. When I first started, I think Kathy was
22 kind of burned out. She had talked about -- she was
23 thinking about closing the business, wasn't really sure
24 that she wanted to stay in it. You know, if you're
25 only making 10,000 or \$11,000 a year and you're working

1 40 hours a week, it's not a very good use of your time.
 2 And she was just kind of burned out, being in there day
 3 in and day out. So Kathy really stepped out.
 4 But what she did do initially in the first
 5 year -- I went in and ran the cash register. I did the
 6 storeroom. I did everything in the business. But
 7 Kathy was there for me on the phone when a customer had
 8 a question saying, Hey, how do I bake this cake, or,
 9 How do I use this chocolate, or something. I would
 10 call Kathy on the phone, and then Kathy would explain
 11 it to me and the customer at the same time. So that's
 12 how I learned the cake decorating and the bakery side
 13 of the business as well.
 14 Q. Did Ms. Gentry also make videos?
 15 A. Pardon?
 16 Q. Did Ms. Gentry also make videos?
 17 A. Oh, yeah. Kathy's actually -- one of the
 18 main drivers for our business, through our marketing,
 19 are YouTube videos that we made. I had been working
 20 with the Web site developer and I said, Hey, I want to
 21 get a video on our Web site to showcase -- we have a
 22 patent-pending product, and I wanted to showcase that
 23 in a video and use that to sell. And they had
 24 suggested you can go do that on YouTube.
 25 So I started researching with YouTube and I

1 created a Sweet Wise channel for -- and we started
 2 loading YouTube videos. Kathy is the star of all of
 3 our videos. She is exceptional in how she presents
 4 herself and presents knowledge to the viewers so that
 5 it's really easy for them to understand, take away a
 6 great skill from watching a five-minute video of
 7 Kathy's.
 8 Q. So, on average, how many hours per week
 9 would she work after you joined up in 2009 doing the
 10 videos and the other things that you've mentioned to
 11 the Court?
 12 A. Typically five, ten hours a week. She'd do
 13 a couple hours of prep time and then -- and then, you
 14 know, maybe an hour to shoot videos. Toward the end,
 15 she started approving all of our artwork for our
 16 newsletters and that sort of thing.
 17 Q. Now, the annual revenue for Sweet Wise, did
 18 it increase dramatically after you joined in 2009?
 19 A. Yes.
 20 Q. Okay. And how much was it in 2014?
 21 A. I'm not sure of the final number in 2014.
 22 It should be close to 1.6 or 1.7 million.
 23 Q. Okay. And did you and Ms. Gentry -- I
 24 heard you mention you-all created certain tools for the
 25 business together. Can you describe to the Court what

1 those are?
 2 A. Say that again.
 3 Q. The tools for the business that you
 4 created. Did you create tools for your business?
 5 A. Oh, yeah. We have a patent-pending
 6 product. I was watching Kathy teach a class early on,
 7 back in 2009, and she was using two sheets of vinyl
 8 that she had bought at a craft store and was showing
 9 the students how to put fondant onto a cake using this
 10 method.
 11 The method that she was teaching, it takes
 12 a skill -- something that professionals have a
 13 difficult time with, and it makes it so easy that a
 14 12-year-old can accomplish a professional look. It
 15 makes it real easy. As I was watching Kathy show the
 16 students how to use the tool, I'd see the students'
 17 mouths drop, like, wow, that's really cool.
 18 So I saw an opportunity to create a
 19 product, which we did. We have a patent pending for
 20 that product now. We have distribution going all over
 21 the world. We ship from Nashville all over the world.
 22 We have resellers in Australia, in the UK, in Germany,
 23 France. I think Italy, Spain. It's quite popular in
 24 Canada, and it does really well in the United States as
 25 well.

1 Q. Mr. Gentry, what's the name of this
 2 product?
 3 A. It's called "THE MAT." We have four
 4 versions: THE HOME MAT, THE PRO MAT, THE MINI MAT, and
 5 THE Original MAT.
 6 Q. Okay. Could you identify that document for
 7 me, please?
 8 A. Is it the patent?
 9 Q. Did he hand it to you?
 10 A. I didn't see it.
 11 MS. PERKY: Mr. Court Officer, I
 12 believe there's two copies of it with the Court,
 13 possibly.
 14 THE COURT: I do have two copies.
 15 MS. PERKY: If you'll hand it to the
 16 witness, Your Honor -- I mean, Mr. Court Officer.
 17 THE COURT: It's his birthday. You
 18 can call him that. I'm not kidding about that part.
 19 It is his birthday.
 20 MS. PERKY: Happy birthday.
 21 THE WITNESS: This is a -- it's a
 22 filing receipt, a confirmation from the United States
 23 Patent and Trademark Office.
 24 BY MS. PERKY:
 25 Q. Who's listed as the inventors of THE MAT?

1 A. It shows Kathy, my wife, and myself.
 2 Q. And are you aware of what portion of Sweet
 3 Wise's annual net income is derived from sales of THE
 4 MAT?
 5 A. Substantially all of the income from the
 6 business comes from THE MAT. If we pulled out the
 7 profitability from this product, we would have to start
 8 dropping wages and maybe cutting positions. We would
 9 definitely have to change the business model.
 10 We have discretionary spending of around
 11 \$150,000 a year. We would have to eliminate that to
 12 offset the loss of profit from the product.
 13 MS. PERKY: Your Honor, can I enter
 14 that as Exhibit No. 3, please?
 15 THE COURT: All right.
 16 (Marked Exhibit 3.)
 17 BY MS. PERKY:
 18 Q. Mr. Gentry, can you identify this document
 19 for me, please?
 20 A. This schedule shows the profit, the gross
 21 profit from the sale of our mat from 2011 through 2014.
 22 Q. Okay. And the documents that were attached
 23 behind, are those what you used in order to create this
 24 itemization?
 25 A. These are downloads. The supporting

1 So they did. They signed the
 2 noncompete/nondisclosure and they came out to our
 3 store. We introduced them to the product and they
 4 said, Wow, I've never seen a product work like that.
 5 Is it food safe?
 6 And being an accountant and not a food
 7 product manufacturer, I didn't realize that that was
 8 important. Which, it obviously is. And I said, No,
 9 it's not.
 10 I went to the company that we were buying
 11 the vinyl from and asked them if it's food safe. They
 12 said no. I asked them could they make it food safe.
 13 They said no.
 14 So I went to this company that had signed
 15 the nondisclosure/noncompete and said, Why don't you
 16 guys try to find somebody that can make it food safe.
 17 And they tried for about eight months,
 18 maybe a year, and they were not successful. They
 19 couldn't find anybody to make this material with the
 20 same characteristics that it needed to function and
 21 they couldn't make it food safe.
 22 I didn't give up. I continued to contact
 23 plastics manufacturers, and I found two. One was
 24 O'Sullivan Plastics, which is a medical supplier. They
 25 make blood bags, and the blood bag material is actually

1 documentation are downloads from our point-of-sale
 2 system.
 3 Q. And what does -- it looks like what
 4 portion -- what is the total product profit for THE MAT
 5 from 2011 to 2014?
 6 A. The total profit's \$821,000.
 7 MS. PERKY: We'd like that entered as
 8 the next exhibit, Your Honor.
 9 THE COURT: All right. Number 4.
 10 (Marked Exhibit 4.)
 11 BY MS. PERKY:
 12 Q. And what sorts of things did you do,
 13 Mr. Gentry, in becoming the co-inventor of THE MAT?
 14 A. Pardon me?
 15 Q. What kind of things did you do in order to
 16 become the co-inventor of THE MAT? What was your
 17 involvement?
 18 A. Well, I gave a description just now of how
 19 we came up with the idea for selling the product.
 20 I had initially gone to a business partner
 21 of ours, who is this wholesaler that I ended up later
 22 getting rid of. But I went to them and said, Hey, I
 23 have a great product. I'd like you to sign a
 24 noncompete/nondisclosure, and come look at it, and
 25 maybe we can work together on this.

1 very similar to our material. And, obviously, a blood
 2 bag is food safe.
 3 And I found another company, up in
 4 Washington State, called Achilles. And Achilles is who
 5 we ultimately went to for fabrication of material.
 6 So we did our first -- we did a couple test
 7 runs with them, 3,000 pounds of material. And then we
 8 started going with full production with them. Once we
 9 tested it, it worked out great.
 10 From that point, we wanted to add artwork
 11 to the material. And I kept sending samples out to
 12 printing company after printing company, and they would
 13 all come back and say, No, we can't print to it. No,
 14 we can't print to it.
 15 Probably I sent out 50, maybe a hundred
 16 samples, to no avail. But I'm pretty tenaciously
 17 persistent, so I kept on it. Eventually, I just gave
 18 up and said, Well, if we can't print the material, we
 19 need to change the material.
 20 So I called the company up in Washington
 21 State and said, Hey, can we change the finish on one
 22 side to make it maybe porous or a matte finish or
 23 something and leave the other side polished?
 24 I think it was kind of a, you know, "Oh,
 25 good grief, why didn't we think of that before." And

1 it was from that point we were successfully able to get
2 ink to adhere to the material, which is when we really
3 launched the product for the first time. When we did
4 our first print run, we shipped out hundreds of them on
5 the first day.

6 One of the ways -- an interesting aside,
7 one of the ways --

8 Q. I think the Court understands what THE MAT
9 does and your involvement. I understand this is your
10 life, but let's kind of keep moving.

11 So did you and Ms. Gentry take similar
12 draws from the business after you joined?

13 A. Yes, pretty much the same.

14 Q. Okay. And are those itemized on Exhibit 1?

15 A. Through our compensation? Yes.

16 Q. Yes. And so in 2011 did y'all start doing
17 something a little differently that kind of upped your
18 compensation?

19 A. You'll see an adjustment there, 23,400,
20 which I explain down at the bottom of the paragraph
21 there. My compensation, I was receiving 650 a week.
22 And one week out of a month, we would add an additional
23 \$1,950, which we used to pay for the mortgage on our
24 marital residence. So, effectively, the company was
25 paying our mortgage for us, but it was just showing up

1 A. Or by the business.

2 Q. Why did you do that?

3 A. Pardon me?

4 Q. Why did y'all do that?

5 A. It's a tax advantage. Instead of paying
6 with post-tax dollars, that we've had income taken out
7 on, we're paying for it with pretax dollars.

8 Q. And did you and Ms. Gentry mutually agree
9 to do this?

10 A. Yes.

11 Q. Can you identify this document for
12 me, Mr. Gentry?

13 A. There's two pieces on here: discretionary
14 spending -- so that's money we can choose to spend or
15 not to spend for meals, entertainment, travel, and
16 auto, on the top half -- and the deferred revenue.

17 The deferred revenue comes from the sales
18 of Groupon, Living Social campaigns, the daily deals.
19 You've probably seen them. The students that come in
20 and use them, it's not a hundred percent. So over the
21 last three years, we've accumulated \$93,000 in the
22 deferred revenue in the company, which is pure profit
23 that hasn't been recognized and it hasn't been taxed,
24 but it's money that's come into the company from our
25 Groupon deals.

1 in my compensation for tax purposes.

2 Q. And so who determined the monthly draws
3 that Ms. Gentry would receive and what you would
4 receive?

5 A. Generally, I would approve or say, Yeah, we
6 can afford that, or, No, we can't. Or I could move
7 money around. It was generally a joint discussion.

8 Q. So, say that Sweet Wise had a couple bad
9 months. Would you take the same draw or would it be
10 modified?

11 A. No, I would -- we would continue to take
12 the same draw. But I would take steps to -- if we did
13 have a bad month, you know, maybe we'd let somebody go
14 and I would go work in the store, or we would cut
15 hours, or you know, we would work on doing a promotion
16 or something to offset that and get revenues back up
17 where we need to be.

18 Q. Were any personal expenses paid through the
19 business?

20 A. A lot of our personal expenses were paid
21 through the business. Our cell phones, our cable and
22 Internet at the house, our dining expenses, our cars,
23 our gas expense, our cell phones. Pretty much -- most
24 all of our expenses were paid through the business.

25 Q. And why did you do --

1 Q. And are these documents that are attached
2 to the back of the itemization the documents that
3 you've used in order to create the document?

4 A. Yes.

5 MS. PERKY: We'd like that entered as
6 the next exhibit, Your Honor.

7 THE COURT: I think we're up to 6.
8 Let me double-check. No, just 5. All right.

9 (Marked Exhibit 5.)

10 BY MS. PERKY:

11 Q. Now, after filing for divorce, did
12 Ms. Gentry's behavior in the workplace change towards
13 you?

14 A. Well, Kathy started coming in every day.
15 She generally only came in once a week to shoot videos
16 prior to that. Then she started coming in every day
17 for several hours, three to five hours, typically. She
18 became very hypercritical of me. She also started
19 asking me to account for my time.

20 And toward the end, she actually started
21 requiring me to report to her my daily accomplishments.
22 And when I would ask her what she was working on, she
23 would tell me that I'm an employee and it's none of my
24 business what she's working on.

25 Q. And so prior to her filing for divorce, did

1 she require you to do a reporting of the things that
2 you accomplished in any given day?
3 A. Say again, please.
4 Q. Prior to her filing for divorce, did she
5 require you to report to her the things that you
6 accomplished in any given day?
7 A. No, never.
8 Q. Okay. Were there any kind of, like,
9 reviews that she sat down with you at the end of the
10 year to talk about the things that you did well or
11 didn't do well, and whether or not you were being a
12 good employee?
13 A. No. We never had anything like that.
14 Q. Now, after she filed for divorce, did
15 Ms. Gentry make any efforts toward you to push you out
16 of the business?
17 A. Yes, she did. When I told her that I
18 wanted to get a divorce, the first thing she did was
19 she wouldn't return the stock certificate and canceled
20 my bank debit card for the company.
21 Q. Did she tell you beforehand that she was
22 planning on canceling that bank debit card?
23 A. Say again.
24 Q. Did she tell you beforehand that she was
25 planning on canceling that bank debit card?

1 A. No. I found out. I went to get gas and my
2 card was declined.
3 Q. Okay.
4 A. And then from there, she told me that I
5 couldn't buy gas on the company credit card. I think
6 that was around August. And then in October, she told
7 me to turn in my company vehicle, that I wasn't allowed
8 to use it anymore.
9 Q. And when you say "company vehicle," did you
10 have another vehicle that was your personal vehicle?
11 A. No. I had given my personal vehicle to her
12 son.
13 Q. And when was that?
14 A. Pardon me?
15 Q. When was that?
16 A. That was when we purchased the company car
17 for me. And I believe that was in 2012.
18 Q. Okay.
19 A. So I gave my car to Logan -- her son,
20 Logan. And then he later traded that in for a little
21 Nissan, small car.
22 Q. Okay. So at that point did the company
23 purchase a vehicle for your use?
24 A. At the same time that I gave Logan my car,
25 the company bought that car for me.

1 Q. And that was the only vehicle that you had?
2 A. Yes.
3 Q. At some point did she take away that
4 vehicle?
5 A. Yeah. She e-mailed me, I think it was
6 around October 6th or something, and told me to turn in
7 the vehicle.
8 Q. Did she tell you why?
9 A. She said it was because I was put putting
10 the company at risk, drinking and driving.
11 Q. Okay. Do you know how she would be aware
12 of whether or not you were drinking and driving? Were
13 y'all hanging out socially together during this time?
14 A. We would always go out and have dinner and
15 have a couple glasses of wine at dinner. Certainly
16 nothing illegal, and well within the legal limits,
17 which is the same way that I was behaving when she
18 confiscated my car.
19 What I found out was that Kathy was using
20 the "Find My iPhone" app, and she was tracking me. And
21 the night before my car was confiscated, she pinged me
22 on the -- she used the "Find My iPhone" app probably
23 every five or ten minutes for about three or four hours
24 while I was out. I think she pinged me maybe 20, 30
25 times that evening.

1 Q. Did you know that she was doing that?
2 A. I didn't at the time.
3 Q. Did you know that she had the ability to
4 track you on your phone?
5 A. No, I didn't.
6 Q. Is your cell phone paid through the
7 business?
8 A. Pardon?
9 Q. Your cell phone, was it being paid through
10 the business?
11 A. It was paid through the business.
12 Q. Is that how she gained access to it in
13 order to ping you?
14 A. No. I think she used her daughter's iPad,
15 which had the log-in into my iTunes account, because
16 Lindsey, her daughter, would use it to buy apps through
17 my iTunes account. So it had a stored password that
18 she'd use.
19 Q. Did Ms. Gentry also let your health
20 insurance lapse?
21 A. Pardon me?
22 Q. Did Ms. Gentry also allow your health
23 insurance to lapse?
24 A. She did. I received the notice from
25 BlueCross BlueShield for nonpayment. I forwarded that

1 on to Paveo, in accounting, and asked him if he knew
2 what was going on with it. And I didn't do anything
3 after that until I received the notice that my health
4 insurance was canceled.
5 Q. Now, in December, things are escalating at
6 this point; correct -- between you and Ms. Gentry?
7 A. Yes.
8 Q. And in December of 2014, were you actually
9 terminated by Ms. Gentry?
10 A. Yes. She sent me an e-mail -- I had gone
11 to Washington, D.C., to see a military retirement
12 ceremony for an old friend of mine. And on my way
13 back, or when I got home, I had an e-mail from Kathy
14 saying that I was no longer needed at Sweet Wise and
15 that I was fired. And she filed a Notice of Separation
16 with the Department of Labor that was quite libelous.
17 Q. Mr. Gentry, can you identify this document
18 for me?
19 A. Yes. This is the separation notice that
20 Kathy filed with the Tennessee Department of Labor.
21 MS. PERKY: I'd like that entered as
22 the next exhibit, Your Honor.
23 THE COURT: All right. That's
24 Exhibit 6.
25 (Marked Exhibit 6.)

1 credit card accounts, to the remote access to the
2 server, the on-line store. She closed my -- or changed
3 the password on my e-mail account so I couldn't access
4 my company e-mail anymore. Really everything, just
5 locked me out completely.
6 Q. Did she remove you as signatory on all the
7 financial accounts for the business?
8 A. She did remove me as a signatory. I think
9 that was a bit before, though.
10 Q. Mr. Gentry, why did you let her do this?
11 A. In the beginning, I really was hopeful that
12 we would continue to run the business together. I
13 think we made a really good team, with her creativity
14 and with my business savvy. And I was hopeful -- you
15 know, where we've taken the business right now, it's
16 poised for the next growth spurt, and there's some
17 really great opportunity for the business.
18 I've never had more fun working for another
19 company. I really enjoyed working with Sweet Wise and
20 building that business up. And I hope to continue that
21 with Kathy.
22 So in the beginning, when she canceled my
23 bank card, okay, if that makes you feel better, if it
24 will give us a little bit of peace, we'll move forward.
25 But it just kept getting worse and worse.

1 BY MS. PERKY:
2 Q. And what does it have listed under 6 as her
3 reasons for your termination?
4 A. She states that I violated several company
5 policies, but not limited to theft, inappropriate
6 spending of company funds, job abandonment,
7 insubordination, and harassment.
8 Q. And under -- are you aware whether under
9 the State of Tennessee Department of Labor and
10 Workforce, whether or not an officer of a company, you
11 have to file a Notice of Separation?
12 A. Officers and owners of the company are not
13 subject to Department of Labor oversight, so this
14 document should have never been filed. It's certainly
15 not helpful to my career.
16 Q. And did she do anything else after she
17 allegedly terminated you in December of 2014?
18 A. She sent me an e-mail notifying me that she
19 was going to tell all of the employees in the company
20 that I was fired and no longer welcome at Sweet Wise
21 property and that they should call the police if they
22 see me.
23 Q. Did she change the locks to the business?
24 A. She changed the locks. She changed all the
25 security access to all the bank accounts, all the

1 Q. And at the time that Ms. Gentry pushed you
2 out of the business, what was your weekly salary?
3 A. We both made \$1500 a week.
4 Q. Okay. So that's exactly the same salary
5 that Ms. Gentry received?
6 A. Exactly the same.
7 THE COURT: What was that number
8 again, Mr. Gentry?
9 THE WITNESS: Excuse me, sir?
10 THE COURT: What was that number
11 again? I think I heard you right.
12 THE WITNESS: The base weekly pay was
13 1,500 per week, 78,000 per year.
14 THE COURT: Okay.
15 BY MS. PERKY:
16 Q. Mr. Gentry, can you identify this document
17 for me, please?
18 A. This is a listing of my compensation and my
19 benefits that were paid by the company.
20 Q. Okay. And are the documents that are
21 attached to the back of the itemization the documents
22 you used in order to create the document?
23 A. Yes. Those are all supporting
24 documentation from bank statements, credit card
25 statements, and so forth.

1 Q. So the business paid for your auto payment,
2 which was the Lexus 450h; correct?
3 A. Say again.
4 Q. The business paid -- prior to your
5 termination, the business paid your auto payment for
6 your Lexus 450H; correct?
7 A. That's correct, yes.
8 Q. The business also paid for your auto
9 insurance?
10 A. That's correct.
11 Q. The business gave you periodic bonuses;
12 correct?
13 A. Correct.
14 Q. The business also paid for your cell phone?
15 A. Correct.
16 Q. The business paid for your home, cable, and
17 Internet?
18 A. Yes.
19 Q. The business paid for your average dining
20 expenses, which was put on the company credit card;
21 correct?
22 A. That's correct.
23 Q. The business also paid for your health
24 insurance cost?
25 A. That's correct.

1 Q. And the business also paid for your fuel
2 cost for your car?
3 A. Yes, it did.
4 Q. Was there ever any time that y'all didn't
5 include all the gas that was charged on the card and
6 tried to differentiate between personal and business
7 usage?
8 A. No. Everything is commingled.
9 Q. Is that the same with expenses put on the
10 credit card for dining?
11 A. Yes.
12 Q. Okay. Isn't it true that oftentimes y'all
13 would pay for massages or other personal things like
14 that and put it on the business credit card?
15 A. Yes. Actually, in the beginning, Kathy had
16 a recurring fee for a massage on a company credit card,
17 that we, you know, would both go over to Oriental Chi
18 in the mall and get a back rub after lunch or
19 something.
20 MS. PERKY: I'd like this entered as
21 the next exhibit, Your Honor.
22 THE COURT: All right. I believe
23 we're up to 7 now.
24 (Marked Exhibit 7.)
25 ///

1 BY MS. PERKY:
2 Q. So your total monthly compensation, then,
3 including your salary, bonus, and all the expenses that
4 were paid by the business is how much?
5 A. It's almost 9,000 per month.
6 Q. Now, is this itemization consistent also
7 with your monthly needs?
8 A. Yes, it is.
9 Q. And is this compensation substantially
10 similar to exactly what Ms. Gentry receives from the
11 business as compensation?
12 A. She -- a little bit more, but essentially
13 the same.
14 Q. And would you like for the Court to order
15 that each party's draws from the business be limited to
16 this \$8,840 per month?
17 A. Yes, I do, unless we both agree to
18 additional compensation.
19 Q. Okay. Alternatively, would you like for
20 the Court to order that you receive pendente lite
21 support in that amount?
22 A. Yes, I would.
23 Q. Now, Mr. Gentry, do you have any concerns
24 about Ms. Gentry's use of business funds since filing
25 for divorce?

1 A. Say that again, please.
2 Q. Do you have any concerns about Ms. Gentry's
3 use of business funds since filing for divorce?
4 A. She compensated herself with two bonuses, I
5 think a little less than \$3,000. We had agreed that we
6 would bonus equally, and then she instructed payroll to
7 not bonus me.
8 Q. Okay. Do you know what she used that for?
9 A. Say again.
10 Q. Do you know what she used the money for?
11 A. Part of it was for her son's tuition, and
12 part of it was garage doors in her house.
13 Q. And did she also pay for her son's gas and
14 auto insurance through the business?
15 A. She did.
16 Q. Now, Mr. Gentry, what draws, if any, have
17 you received from the business since December 2014?
18 A. Through the last hearing -- we had a motion
19 to continue -- I had received about 7,700, which was
20 about five weeks of pay.
21 Q. So you haven't received anything other than
22 that --
23 A. No.
24 Q. -- since December of 2014?
25 A. No, I have not.

1 Q. Okay. Now, how have you paid your
2 expenses, then, after being pushed out of the business?
3 A. I've been living off of credit cards. I'm
4 about completely maxed out.
5 Q. And has Ms. Gentry continued to take her
6 draws from the business?
7 A. I assume so.
8 Q. Would you like to receive -- for the Court
9 to award you a proportionate share of draws from the
10 business since December 2014?
11 A. Yes, I would.
12 Q. And how much do you estimate that to be?
13 A. A little less than 19,000.
14 Q. Is that also included here on Exhibit 7?
15 A. Say again.
16 Q. Is that also included here on Exhibit 7,
17 how you came up with that number?
18 A. Yes.
19 Q. Okay. Now, what did you do about
20 transportation after Ms. Gentry took your car?
21 A. Initially, I rented a car, thinking that I
22 would have an opportunity to be heard in court and that
23 I would have my company car returned back to me. But
24 it was taking so long, I went out and took out a
25 personal loan and went to purchase -- or leased a

1 vehicle.
2 Q. Prior to leasing a vehicle, did you rent a
3 vehicle?
4 A. I rented a vehicle for about a month and a
5 half.
6 Q. Okay. Now, Mr. Gentry, can you identify
7 this document for me, please?
8 A. It's a credit card statement.
9 Q. And what does -- are there highlighted
10 entries on this credit card statement?
11 A. There's two highlighted items, on page 1
12 and page 3, that show my rental car fees.
13 Q. And so what was the total amount of
14 expenses you incurred in having to rent a car after
15 Ms. Gentry took your car?
16 A. It was about \$1800.
17 Q. Would you like the Court to order that she
18 reimburse you that sum?
19 A. Yes, I would.
20 Q. Now, Mr. Gentry, how are you proposing that
21 the Court order that Sweet Wise be run during the
22 pendency of these proceedings?
23 THE COURT: Before you answer that, do
24 you want this made an exhibit?
25 MS. PERKY: Yes, Your Honor. Thank

1 you.
2 THE COURT: All right. It will be
3 Exhibit 8.
4 (Marked Exhibit 8.)
5 THE COURT: All right. Go ahead,
6 Mr. Gentry.
7 BY MS. PERKY:
8 Q. How are you proposing that Sweet Wise be
9 run during pendency of the divorce?
10 A. How do we run the business?
11 Q. Mm-hmm.
12 A. I think it would be better if I ran the
13 business during the pendency.
14 Q. Why do you think that?
15 A. Why? I have lots of great ideas to keep
16 moving the company forward. It will increase both of
17 our wealth. And I'm quite adept at managing the
18 business.
19 Q. If, alternatively, the Court orders that
20 Ms. Gentry runs Sweet Wise during the pendency of the
21 divorce, what kind of accounting and access would you
22 like to have to the business?
23 A. I would like to have access to all the
24 on-line accounts, all the credit card accounts, the
25 remote server access, as well as our on-line store.

1 Q. And at this point, do you have access to
2 those things?
3 A. I don't have access to any of it anymore.
4 Q. Why not?
5 A. Kathy changed all the passwords, locked me
6 out of everything.
7 Q. Would you also like to have unrestricted
8 communications with Dancho and Paveo, your two
9 employees at Sweet Wise?
10 A. Yes, I would.
11 Q. And why would you like that?
12 A. It would help me keep the pulse of the
13 business and find out what's going on, make sure that
14 it's continuing to be run and functioning properly.
15 Q. Would you also like to be returned as
16 signatory on all the financial accounts?
17 A. Say again.
18 Q. Would you also like to be returned as
19 signatory on all the financial accounts?
20 A. Yes, I would.
21 Q. Do you have any concerns, Mr. Gentry, that
22 Ms. Gentry will sabotage your business relationships
23 with employees, vendors, suppliers, customers?
24 A. I am -- I am concerned. She's already
25 filed a slanderous notice with the Department of

Tennessee Labor -- or Tennessee Department of Labor, and I'm concerned that she might do that with customers or vendors if I run the business.

Q. Would you like for the Court to issue a restraining order enjoining and restraining both of you from discussing the pending litigation and from speaking derogatorily about one another during the pendency of these proceedings?

A. Yes, I would.

Q. Now, has Ms. Gentry also contacted your patent attorneys to contest your status as co-inventor of THE MAT?

A. There's an office action from the U.S. Patent and Trademark Office that was e-mailed for us to respond -- or to give our response to, and it was e-mailed to my old e-mail address at Sweet Wise. Kathy contacted the attorney, told them that I'm not an inventor, I'm not an employee of Sweet Wise. And she inadvertently created a conflict of interest with our patent attorney firm.

So now our patent attorney is saying we need to resolve this conflict of interest or we're going to withdraw. If they withdraw, it's going to be nearly impossible for us to find another patent attorney and engage them to protect or to continue our

MS. TAYLOR: I object to these requests for restraining orders that we've not been notified to as it relates to this hearing. And, so, these are just coming out of the blue here, would you like this and would you like that. Nowhere in this do I recall seeing any requests for such information.

THE COURT: All right. Ms. Perky, I'll let you respond to that.

MS. PERKY: Paragraph 26, Your Honor. We do specifically ask that the Court restrain and enjoin Ms. Gentry from discussing the pending divorce proceedings or speak derogatorily about Mr. Gentry with the business's employees, vendors, suppliers, and customers.

With respect to the patent issue, Your Honor, this just occurred a couple weeks ago. My concern is if we don't get -- this is almost like an emergency. If we don't get something down, Your Honor, they could lose the patent on THE MAT. And this has made them almost a million dollars.

So, I mean, I think that everybody should be very concerned about Ms. Gentry's unilateral actions to compromise this patent, because it's going to -- you know, I don't think she realizes it, but it's going to hurt both of them in the end.

patent application. So, really, it's jeopardizing our patent with her actions.

Q. Okay. And did they explain to you why they felt like there was a conflict of interest?

A. Because Kathy's disputing my inventorship, and because she's telling them that I'm terminated from Sweet Wise. So in the eyes of the attorney -- Sweet Wise has been paying the legal bills. And so in the eyes of the attorney, the company has an interest, I have an interest as an inventor, and Kathy has an interest. Because Kathy has said that I'm terminated from the company, that's created this conflict of interest with Bass Berry.

Q. Would you like for the Court to specifically restrain and enjoin Ms. Gentry from representing to any person or entity that you're not a co-inventor of THE MAT during the pendency of this proceeding or to undermine your status as the co-inventor?

A. Yes, I would.

MS. TAYLOR: Your Honor --

THE WITNESS: I think --

THE COURT: Hang on just a second, Mr. Gentry. There's an objection. I need to hear from Ms. Taylor.

THE COURT: Okay. And you're talking about Paragraph 26 of your second amended petition?

MS. PERKY: No. Paragraph 26 of my motion to determine control of the business and partner compensation.

THE COURT: Okay. Sorry. I'm going to let her ask the questions. Whether she gets the relief or not is another question altogether. Of course, I do have some concern about an asset which I would think both parties want to preserve. I don't know what -- I'm sure there's going to be some discussion about how best to address that. I can't imagine anybody that doesn't want that to proceed.

MS. TAYLOR: I think that is up to the patent application and the subsequent, if any, patent litigation. Through the testimony of Ms. Gentry, you will see that this patent was initially requested only in Ms. Gentry's name in 2011. It was not until two years later that Mr. Gentry --

THE COURT: Does this Court not have the ability to, at some point, divide either -- award the patent or divide the proceeds from the patent? And I don't know the answer. I'm asking that question.

MS. TAYLOR: It depends, as I understand the law, whether or not the patent is

<p style="text-align: right;">Page 102</p> <p>1 granted. If the patent is granted to both of them, 2 then those rules apply. 3 If the patent is not granted, which is 4 the position it's in now, the product -- i.e., THE 5 MAT -- is produced by Sweet Wise, the cost and expenses 6 are paid by Sweet Wise, and the revenue goes to Sweet 7 Wise right now. It is just a product with a patent 8 pending on it. 9 THE COURT: Okay. I'm going to let 10 her ask these questions, and then I want to hear from 11 Ms. Gentry, obviously, on it. 12 And before we do that, how close are 13 you, Ms. Perky, to being finished? We've been going -- 14 MS. PERKY: I'm just a couple 15 questions away from being done with him, and then I've 16 got one witness out in the hall. 17 THE COURT: We're going to take a 18 break after him; okay? So I'll let you finish up with 19 him and then we'll take a break. 20 BY MS. PERKY: 21 Q. Now, Mr. Gentry, would you like for the 22 Court to restrain and enjoin Ms. Gentry from 23 representing to any person or entity that you're not a 24 co-inventor of THE MAT and from taking any action to 25 undermine your status of the co-inventor of THE MAT</p>	<p style="text-align: right;">Page 104</p> <p>1 problems? 2 And then another hour later, Oh, it looks 3 like everything was fixed. I called GoDaddy. They 4 said, yeah, they had some issues with an upgrade and 5 they had e-mails that were deleted. Sorry for the 6 inconvenience. Everything will be okay. 7 I am quite confident that GoDaddy, one of 8 the largest e-mail and domain providers in the country, 9 wouldn't release an upgrade that would delete e-mails. 10 If they did release an upgrade, I'm quite certain that 11 they would have backups of e-mails and that all the 12 data could be restored. 13 And, additionally, Kathy never calls 14 GoDaddy herself. We always call Paveo, who's our 15 e-mail administrator. Whenever we have issues with 16 e-mail, it always goes to Paveo. 17 The e-mails that were deleted were e-mails 18 discussing ownership of Sweet Wise, and they were also 19 e-mails that portrayed Kathy in a bad light, where she 20 was harassing -- 21 Q. Back up just one second. So do you keep 22 all of your e-mails, all of your business e-mails? 23 A. My e-mails are very organized. I am 24 meticulous in how I manage my e-mails within folders. 25 I also -- I e-mailed Dancho and asked him</p>
<p style="text-align: right;">Page 103</p> <p>1 during the pendency of these proceedings? 2 A. Yes, I would. Her actions are risking our 3 patent, and it's undermining our patent, and it's 4 making it less enforceable. 5 Q. And was THE MAT created during the 6 marriage? 7 A. Yes. 8 Q. Okay. Regardless of how it's titled, it 9 was created during the marriage? 10 A. Yes, it was. 11 Q. Would you also like to have exclusive 12 control over business decisions concerning THE MAT 13 during the pendency of the proceedings? 14 A. Yes, I would. 15 Q. Now, has Ms. Gentry deleted e-mails from 16 the business server, Sweet Wise's business server? 17 A. What's the question? 18 Q. Has Ms. Gentry deleted e-mails from the 19 business server? 20 A. I believe she has. I received a suspicious 21 e-mail from Kathy saying, Hey, has anybody's password 22 been changed? 23 And then maybe an hour later, there was a 24 follow-up e-mail from her saying, Hey, I just had some 25 e-mails that were deleted. Is anybody else having any</p>	<p style="text-align: right;">Page 105</p> <p>1 if he had copies of some of the e-mails regarding 2 ownership discussions. And he wrote me back and said, 3 Well, I'm surprised, and maybe not so surprised, but I 4 can't find any e-mails with ownership discussions, and 5 there were a lot of them. 6 So Dancho also had e-mails deleted from 7 his, as well as mine, and I think another employee 8 also. 9 Q. As a result, would you like for the Court 10 to specifically restrain and enjoin Ms. Gentry from 11 deleting e-mails from the business server or otherwise 12 destroying evidence? 13 A. Yes, I would. 14 Q. Now, Mr. Gentry, have you incurred 15 significant attorney fees in having to file this 16 petition for contempt and motion to determine control 17 and compensation for the business? 18 A. Yes, I have. 19 Q. Can you identify this document for the 20 Court, please? 21 A. This is an itemized listing of your fees, 22 for representation in this case. 23 Q. And do you have the ability to pay these 24 fees? 25 A. I do not.</p>

<p style="text-align: right;">Page 106</p> <p>1 Q. And how have you paid for your fees for the</p> <p>2 preparation for today?</p> <p>3 A. With a credit card.</p> <p>4 Q. And would you like for the Court to award</p> <p>5 you these fees today?</p> <p>6 A. Yes, I would.</p> <p>7 MS. PERKY: That's all I have for this</p> <p>8 witness, Your Honor.</p> <p>9 THE COURT: All right.</p> <p>10 MS. PERKY: Oh, I'd like that entered</p> <p>11 as the next exhibit.</p> <p>12 THE COURT: I believe it's No. 9. So</p> <p>13 that will be the next exhibit.</p> <p>14 (Marked Exhibit 9.)</p> <p>15 THE COURT: All right. We're going to</p> <p>16 take about a 10-minute break so everybody can use the</p> <p>17 restroom, make phone calls, do whatever. And we'll</p> <p>18 come back and we'll let Ms. Taylor cross-examine</p> <p>19 Mr. Gentry.</p> <p>20 (Recess taken from 5:13 p.m.</p> <p>21 to 5:33 p.m.)</p> <p>22 THE COURT: All right. I apologize.</p> <p>23 I shouldn't have let people know I was on a break.</p> <p>24 All right. We're ready for</p> <p>25 Ms. Taylor's cross-examination. Mr. Gentry, I'll ask</p>	<p style="text-align: right;">Page 108</p> <p>1 Q. Okay. How long have you been a CPA?</p> <p>2 A. Since 1998.</p> <p>3 Q. Did you let your CPA qualifications lapse</p> <p>4 during the marriage?</p> <p>5 A. Yes, I did.</p> <p>6 Q. Did you reinstate them recently?</p> <p>7 A. Yes, I did.</p> <p>8 Q. When?</p> <p>9 A. I believe it was in January.</p> <p>10 Q. Of what year?</p> <p>11 A. December '14 or January '15.</p> <p>12 Q. That would have -- actually, it would have</p> <p>13 been back in the spring of 2014 when the divorce was</p> <p>14 filed; correct?</p> <p>15 A. No, that's not correct.</p> <p>16 Q. Do you recall sending an e-mail to</p> <p>17 Ms. Gentry saying --</p> <p>18 MS. PERKY: Your Honor, I believe that</p> <p>19 Mr. Gentry wasn't finished testifying.</p> <p>20 THE WITNESS: No, probably what you're</p> <p>21 thinking of is Sweet Wise paid for my CPE subscription,</p> <p>22 where I go in and do my continuing professional</p> <p>23 education on-line. And so Sweet Wise paid for that in</p> <p>24 the spring of 2014. And then I really started hitting</p> <p>25 the CPE hard in 2014, 2015, to help me with eStart.</p>
<p style="text-align: right;">Page 107</p> <p>1 you to retake the stand.</p> <p>2 Now, do you need to move that speaker</p> <p>3 near you, Mr. Gentry?</p> <p>4 THE WITNESS: Is she going to stand</p> <p>5 there?</p> <p>6 THE COURT: Well, I was going to say,</p> <p>7 Ms. Taylor, if you want to -- does it help you if you</p> <p>8 can see the person's mouth moving when they're asking</p> <p>9 the question? You're free to come up here, if you feel</p> <p>10 comfortable doing it. I'm not going to make you do it,</p> <p>11 but you're certainly free to.</p> <p>12 MS. TAYLOR: I may try to change to</p> <p>13 this side of the table, but I do need to stay here</p> <p>14 where my information is.</p> <p>15 THE WITNESS: I can hear her pretty</p> <p>16 well.</p> <p>17 THE COURT: Okay. That's fine.</p> <p>18</p> <p>19 CROSS-EXAMINATION</p> <p>20 BY MS. TAYLOR:</p> <p>21 Q. Mr. Gentry, let me ask you some questions</p> <p>22 about your income. You're a certified public</p> <p>23 accountant; correct?</p> <p>24 A. Yes, I am.</p> <p>25</p>	<p style="text-align: right;">Page 109</p> <p>1 BY MS. TAYLOR:</p> <p>2 Q. What is eStart, Mr. Gentry?</p> <p>3 A. eStart is a business service provider. We</p> <p>4 do web design, graphic art design, as well as</p> <p>5 accounting and bookkeeping services. And I outsource</p> <p>6 all the Web design and art design over to Eastern</p> <p>7 Europe.</p> <p>8 Q. That is the new business that you have</p> <p>9 started within the last year; correct?</p> <p>10 A. We've launched, but I haven't been able to</p> <p>11 afford advertising or any marketing because I don't</p> <p>12 have any money. So we've got the Web site up and</p> <p>13 running, but we haven't -- I haven't been able to</p> <p>14 actually really pursue the business that much.</p> <p>15 Q. Actually, the reason you haven't pursued</p> <p>16 the business is because you don't want to have that</p> <p>17 business ongoing as a source of revenue for you during</p> <p>18 the divorce; correct?</p> <p>19 A. No, that's not correct. Actually, I worked</p> <p>20 quite hard. I went down to the Tennessee Secretary of</p> <p>21 State and obtained a list of some 3,000 addresses that</p> <p>22 are new businesses that started since October 1st, and</p> <p>23 I'm working on the postcard. I just received the final</p> <p>24 version of it today.</p> <p>25 So as a way to market to these new</p>

<p style="text-align: right;">Page 110</p> <p>1 businesses, we're going to send them a postcard and 2 say, Hey, you just started a new business; what's next? 3 It's a really cool postcard. 4 Q. And when are you going to be sending out 5 this postcard? 6 A. When I have the money to pay for it. 7 Q. Do you expect to do that in the next week 8 or so? 9 A. If I can, sure. 10 Q. And that business will be a source of 11 revenue for you; correct, Mr. Gentry? 12 A. It will take time to grow the business. I 13 expect it will be very slow at first. Starting eStart 14 was something that I thought of about two years ago and 15 it's been in the planning for a while. It was 16 something that I was going to work on in conjunction 17 along with Sweet Wise. 18 Q. Do you recall when we were here at the 19 motion in January, that was one of the things that was 20 discussed with the Court, that continuing to today 21 would give you time to see how you could get eStart 22 going and be producing income -- 23 A. I've done a lot of work. I actually gave 24 Sarah about 700 pages of e-mails and research and 25 documentation that I've gotten from the Secretary of</p>	<p style="text-align: right;">Page 112</p> <p>1 MS. TAYLOR: Well, one, Your Honor, 2 Mr. Gentry is having relationships outside of the 3 marriage. He's spending money on other women. He's 4 going out. He's claiming that he has no money and he 5 wants Sweet Wise to pay him all of this income each 6 month, when, at the same time, he's on match.com. He's 7 dating. He's going out. He's talking about planning 8 trips. I believe it goes to the relevancy of the 9 support. 10 THE COURT: All right. I'm going to 11 let you ask him with respect to monies he's expending, 12 whether it be for this or any other activities. So you 13 can ask. 14 MS. TAYLOR: I'll come back to that 15 one in a minute, Your Honor. 16 THE COURT: All right. 17 BY MS. TAYLOR: 18 Q. You have been dating; correct, Mr. Gentry? 19 MS. PERKY: Objection as to relevance, 20 Your Honor. I think Your Honor has said the question 21 should be tailored as to the expenses he's incurred 22 related to any of his activities. 23 THE COURT: Tell me again, Ms. Taylor. 24 Is that what you're trying to get at? 25 MS. TAYLOR: Yes, Your Honor.</p>
<p style="text-align: right;">Page 111</p> <p>1 State, and artwork that I've been working on for the 2 company. 3 MS. TAYLOR: One moment, Your Honor. 4 (Brief pause.) 5 BY MS. TAYLOR: 6 Q. And you deny telling people that you are 7 trying to hold off on starting that business during 8 this divorce? 9 A. I did say that I'm going to hold off 10 starting it, on advice of counsel, back last April. 11 And against counsel's advice, I wanted to get the 12 business going. 13 Q. So that will be income-producing soon; 14 correct? 15 A. Hopefully. 16 Q. Mr. Gentry, I'm going to show you -- you 17 signed up for match.com, have you not, during this 18 divorce proceeding? 19 A. I did. 20 MS. PERKY: Objection, Your Honor, as 21 to relevance. 22 THE COURT: All right. Hang on, 23 Mr. Gentry. 24 Tell me, Ms. Taylor, what the 25 relevance is.</p>	<p style="text-align: right;">Page 113</p> <p>1 THE COURT: All right. I mean, that's 2 what I'm interested in. If you think he's spending 3 money elsewhere, you can certainly ask him questions 4 about that. 5 BY MS. TAYLOR: 6 Q. You're spending money on your match.com Web 7 site; correct? -- or page, whatever your account is. 8 A. After we separated in June, in August, when 9 I first secured counsel with Rob Turner's office, I 10 asked him -- I didn't -- I thought since I was 11 separated that I was allowed to date. 12 I asked one of the attorneys in his office, 13 and she said as long as you keep -- you know, go Dutch 14 that it's fine. And I asked Rob Turner, and he said, 15 Well, you wouldn't be the first one to have a 16 girlfriend if somebody's getting divorced. What I -- 17 THE COURT: Mr. Gentry. Mr. Gentry, 18 her question is are you spending money on your 19 match.com account. It's a pretty straightforward 20 question. 21 THE WITNESS: Not now, sir, no. 22 THE COURT: All right. 23 BY MS. TAYLOR: 24 Q. You were for many months; correct, 25 Mr. Gentry?</p>

<p style="text-align: right;">Page 114</p> <p>1 A. I until I obtained counsel with Sarah. And</p> <p>2 I told Sarah, filled her in, and she said, Get off</p> <p>3 match.com. And so the same day, I got off.</p> <p>4 Q. So you spent money on another, what, senior</p> <p>5 dating Web site?</p> <p>6 A. Not that I know of, no.</p> <p>7 Q. If it shows up on your credit card records,</p> <p>8 what is that?</p> <p>9 A. Probably some site that I went on and put a</p> <p>10 credit card on, and I stopped it right away.</p> <p>11 Q. Mr. Gentry, you said in this exhibit that</p> <p>12 your compensation was about \$8,839 a month when you add</p> <p>13 all these payments in; correct?</p> <p>14 A. That's exactly right, yes, ma'am.</p> <p>15 Q. And you're asking that that money be paid</p> <p>16 to you; correct?</p> <p>17 A. Correct.</p> <p>18 Q. You have not presented this Court with an</p> <p>19 income and expense statement today showing any need for</p> <p>20 this, have you?</p> <p>21 A. I suppose not.</p> <p>22 Q. Of these amounts that you claim as</p> <p>23 discretionary spending as shown in Exhibit 5, these</p> <p>24 were monies paid on behalf of the business -- or by the</p> <p>25 business that were not necessary for running the</p>	<p style="text-align: right;">Page 116</p> <p>1 with the IT development and the art designers to</p> <p>2 further our relationship.</p> <p>3 And also the ski trip was a team-building</p> <p>4 trip. You know, these guys work for us day in and day</p> <p>5 out, and so it was an opportunity to conduct -- to</p> <p>6 connect with them, and build camaraderie, and improve</p> <p>7 loyalty for the business.</p> <p>8 Q. You used it to spend a month in Macedonia</p> <p>9 in February of 2014; correct?</p> <p>10 A. Say again, please.</p> <p>11 Q. You spent a month in Macedonia, skiing, in</p> <p>12 February 2014; correct?</p> <p>13 A. No, I didn't spend a month skiing in</p> <p>14 Macedonia. I went over there for, I think, three</p> <p>15 weeks. It might have been a little bit longer than</p> <p>16 that. Part of the time was spent in Bulgaria. Part of</p> <p>17 the time was in -- was skiing. You know, I think,</p> <p>18 typically, when we go skiing, we spend about five days.</p> <p>19 Q. But when you have personal expenses on such</p> <p>20 a trip, you're supposed to report that as your personal</p> <p>21 income; correct?</p> <p>22 A. No, ma'am. It's a business-purpose trip,</p> <p>23 and the meals and the travel expenses are deductible</p> <p>24 for business purposes.</p> <p>25 Q. Even the personal meals?</p>
<p style="text-align: right;">Page 115</p> <p>1 business; correct?</p> <p>2 A. That's correct.</p> <p>3 Q. And discretionary spending, if it is paid</p> <p>4 by a business, is to be included in the income of the</p> <p>5 employee or owner; correct?</p> <p>6 A. Unless it's a de minimis fringe benefit or</p> <p>7 if there's a business purpose.</p> <p>8 Q. And, in fact, all of this discretionary</p> <p>9 spending that took place in the business was not</p> <p>10 included in income to you for your W-2 forms, was it?</p> <p>11 A. Not for Kathy or I, correct.</p> <p>12 Q. So the information you're now trying to</p> <p>13 give to the Court is to show that you spent the money</p> <p>14 but you did not, as the CPA or the financial person of</p> <p>15 the business, report it on the tax returns?</p> <p>16 A. I don't understand your question.</p> <p>17 Q. If you paid for a trip in the business, you</p> <p>18 did not take that as personal income, did you?</p> <p>19 A. No. Those are business-purpose trips.</p> <p>20 Q. When you went skiing in Macedonia, that was</p> <p>21 a business-purpose trip?</p> <p>22 A. Yes. IRS -- IRS law allows for a couple</p> <p>23 days over a weekend when it's included with</p> <p>24 business-purpose travel. We outsource a lot to Eastern</p> <p>25 Europe, so I would go over there every year and meet</p>	<p style="text-align: right;">Page 117</p> <p>1 A. Even the personal bills?</p> <p>2 Q. Personal meals.</p> <p>3 A. It's a business trip, so all of the meals</p> <p>4 are business meals.</p> <p>5 Q. If Mr. Alexander, who is doing the</p> <p>6 evaluation, says otherwise, would you defer to him?</p> <p>7 MS. PERKY: Calls for speculation.</p> <p>8 THE WITNESS: No --</p> <p>9 THE COURT: Hang on, Mr. Gentry. Hang</p> <p>10 on. Don't answer. Did you hear her make the</p> <p>11 objection?</p> <p>12 THE WITNESS: No, sir.</p> <p>13 THE COURT: All right.</p> <p>14 MS. PERKY: I'll try to stand over</p> <p>15 here, because it's not -- my thing isn't working.</p> <p>16 THE COURT: All right. What's your</p> <p>17 response to that, Ms. Taylor? I'm not really -- I</p> <p>18 understand what his testimony is, and we're going to</p> <p>19 get to Mr. Alexander. So unless you've got a specific</p> <p>20 area you're going with this, I know what you're getting</p> <p>21 at.</p> <p>22 MS. TAYLOR: Thank you, Your Honor.</p> <p>23 BY MS. TAYLOR:</p> <p>24 Q. Mr. Gentry, I'm going to hand you an e-mail</p> <p>25 here dated July the 3rd of 2014, and see if you</p>

<p style="text-align: right;">Page 118</p> <p>1 recognize this e-mail you sent.</p> <p>2 A. Yes, I recognize it.</p> <p>3 Q. So Ms. Gentry had a garage door repair at</p> <p>4 her home; correct?</p> <p>5 A. Correct.</p> <p>6 Q. And you said that should be recorded as a</p> <p>7 repair and maintenance cost for the business because a</p> <p>8 company vehicle was stored there?</p> <p>9 A. Yes.</p> <p>10 Q. Ms. Gentry's response was to put it as</p> <p>11 income to her; correct?</p> <p>12 A. Yes.</p> <p>13 Q. That was a disagreement you-all had on an</p> <p>14 ongoing basis was the fact that she wanted you to</p> <p>15 correctly put personal income as income?</p> <p>16 A. No, that was not a typical disagreement</p> <p>17 that we had.</p> <p>18 MS. TAYLOR: I'd like to mark this as</p> <p>19 the next exhibit, Your Honor.</p> <p>20 THE COURT: It will be Exhibit No. 10.</p> <p>21 (Marked Exhibit 10.)</p> <p>22 BY MS. TAYLOR:</p> <p>23 Q. Mr. Gentry, in your petition for contempt,</p> <p>24 you allege that Ms. Gentry did not pay marital bills.</p> <p>25 What marital bills did she not pay?</p>	<p style="text-align: right;">Page 120</p> <p>1 writing for the business. So, in my opinion, when</p> <p>2 we're not taking vendor discounts when we should, those</p> <p>3 bills are being paid late.</p> <p>4 There's, obviously, a Comcast bill --</p> <p>5 we have a copy of it here -- that was paid late.</p> <p>6 There's a late fee on it. That's what I was referring</p> <p>7 to on that.</p> <p>8 BY MS. TAYLOR:</p> <p>9 Q. Those are bills of the business?</p> <p>10 A. Yes, ma'am.</p> <p>11 Q. Mr. Gentry, you have talked about your work</p> <p>12 in Sweet Wise. Now, Ms. Gentry had Sweet Wise for</p> <p>13 years before the marriage; correct?</p> <p>14 A. That's not correct. She had a cake</p> <p>15 decorating business that was by the name "Sweet Wise."</p> <p>16 The business was completely transformed in 2006 to a</p> <p>17 baker's supply store. 2006 is when she began</p> <p>18 operations.</p> <p>19 Q. And then you married in 2009, so that would</p> <p>20 be several years later; correct?</p> <p>21 A. Yes.</p> <p>22 Q. And from 2006 to 2009, she had a candy and</p> <p>23 cake decorating supply company?</p> <p>24 A. That's correct, yes.</p> <p>25 Q. It's been located in the same location, on</p>
<p style="text-align: right;">Page 119</p> <p>1 A. With regard to that, it was prepared by Rob</p> <p>2 Turner's office, who --</p> <p>3 Q. My question is, what marital bills did she</p> <p>4 not pay?</p> <p>5 MS. PERKY: Objection. He's answering</p> <p>6 and she's not allowing him to answer the question.</p> <p>7 THE COURT: All right. Let him finish</p> <p>8 his answer. If he doesn't answer your question,</p> <p>9 Ms. Taylor, I'm going to let you ask it again. If he</p> <p>10 doesn't answer it then, then I'll get him focused. But</p> <p>11 let him finish his answer.</p> <p>12 MS. TAYLOR: Thank you.</p> <p>13 THE COURT: All right, Mr. Gentry. Do</p> <p>14 you remember the question?</p> <p>15 THE WITNESS: That was just kind of, I</p> <p>16 think, a boilerplate response that Rob Turner's office</p> <p>17 put in there, and I interpreted that as part of</p> <p>18 business expenses that were being paid late.</p> <p>19 There was a Comcast bill, a phone bill</p> <p>20 for the store, that was paid late. My auto</p> <p>21 registration went to the store, and Kathy gave it to me</p> <p>22 two months after my registration expired on my car.</p> <p>23 And my health insurance was paid late.</p> <p>24 And we had stopped taking vendor</p> <p>25 discounts because Kathy had taken over the check</p>	<p style="text-align: right;">Page 121</p> <p>1 Music Valley Drive, since that date?</p> <p>2 A. That's correct.</p> <p>3 Q. Then when you were saying that you turned</p> <p>4 down the job offer at the Gap, that was because the Gap</p> <p>5 did not offer you the job you really wanted; correct?</p> <p>6 A. No, ma'am. I didn't follow up, and I</p> <p>7 turned down a second interview.</p> <p>8 Q. In going through the business, you then</p> <p>9 started working at Sweet Wise, and Ms. Gentry agreed,</p> <p>10 and you-all were working there together; correct?</p> <p>11 A. Say that -- I didn't understand you.</p> <p>12 Q. You are the one who asked to come to work</p> <p>13 at Sweet Wise; correct?</p> <p>14 A. No. Actually, I believe what happened was</p> <p>15 her parents suggested, since I was looking for work --</p> <p>16 this was before Gap. Her parents had suggested, Hey,</p> <p>17 since he's not doing anything, why don't you ask him to</p> <p>18 help at Sweet Wise.</p> <p>19 And prior to that, Kathy had been a little</p> <p>20 bit embarrassed to introduce me to the store because it</p> <p>21 wasn't doing very well. And then she eventually asked</p> <p>22 me and said, Hey, can you come help me out.</p> <p>23 Q. You were paid for all your work there;</p> <p>24 correct?</p> <p>25 A. No. I worked for free for a portion of</p>

<p style="text-align: right;">Page 122</p> <p>1 2008 and a good portion of 2009.</p> <p>2 Q. Well, the reason you worked for free for</p> <p>3 part of 2008 is because, at that point in time, you</p> <p>4 were receiving unemployment benefits from the State of</p> <p>5 Maryland; correct?</p> <p>6 A. That's correct.</p> <p>7 Q. And you told Ms. Gentry you did not want to</p> <p>8 be paid by the business or it would impact your ability</p> <p>9 to earn the unemployment benefits?</p> <p>10 A. No. At that point in time, Sweet Wise and</p> <p>11 helping her wasn't in my line of business. It wasn't</p> <p>12 typical work for me, working in a small retail store</p> <p>13 like that, so I considered it more like helping a</p> <p>14 friend. When we decided -- when I turned down the Gap</p> <p>15 or didn't pursue the Gap position and we decided to</p> <p>16 partner together, at that point is when I started</p> <p>17 taking compensation.</p> <p>18 Q. That was when your unemployment ran out;</p> <p>19 correct?</p> <p>20 A. No. It's when I stopped reporting</p> <p>21 unemployment because I took a position in Sweet Wise.</p> <p>22 Q. Mr. Gentry, you were talking about this</p> <p>23 class you taught at Sweet Wise about the pulled sugar;</p> <p>24 correct?</p> <p>25 A. Mm-hmm.</p>	<p style="text-align: right;">Page 124</p> <p>1 A. Well --</p> <p>2 Q. -- as part of your salary?</p> <p>3 A. -- we were both compensated, our salaries.</p> <p>4 I never took additional compensation for my sugar</p> <p>5 class. All that revenue stayed in the company. Kathy</p> <p>6 did take separate compensation, in addition to her</p> <p>7 salary, for teaching classes.</p> <p>8 Q. And also some of the classes she taught,</p> <p>9 the income went into the business?</p> <p>10 A. Say that again, please.</p> <p>11 Q. Some of the classes she taught, the income</p> <p>12 went into the business; correct?</p> <p>13 A. Well, all of the classes we taught, the</p> <p>14 revenue went in. But there were costs associated with</p> <p>15 being an instructor that came out for her.</p> <p>16 Q. And going into the pastry world, she's</p> <p>17 taught classes in Buttercream I and Buttercream II?</p> <p>18 A. Say that again.</p> <p>19 Q. She taught classes in Buttercream I and II?</p> <p>20 A. Yes, ma'am.</p> <p>21 Q. She and also taught Fondant I and II?</p> <p>22 A. That's correct.</p> <p>23 Q. She also taught classes about cookies?</p> <p>24 A. Yes.</p> <p>25 Q. Cupcakes?</p>
<p style="text-align: right;">Page 123</p> <p>1 Q. And the pastry chef who came to teach it</p> <p>2 was someone who was very well known; correct?</p> <p>3 A. Correct.</p> <p>4 Q. That person came because of their long-term</p> <p>5 contacts with Ms. Gentry in the business?</p> <p>6 A. That's correct. Kathy's exceptional at</p> <p>7 making friends with celebrities.</p> <p>8 Q. You talked about this class you taught and</p> <p>9 how much income it brought in. Ms. Gentry has taught</p> <p>10 many more classes to bring in revenue than you ever</p> <p>11 thought about teaching, did she not?</p> <p>12 A. No, not really. She taught a fondant</p> <p>13 class, and they were infrequent because we didn't have</p> <p>14 a classroom at the time. So maybe she would teach, you</p> <p>15 know, one every couple months, something like that.</p> <p>16 And then by -- we got the classroom in</p> <p>17 January of 2010. And in July of 2010, we hired two</p> <p>18 employees, Kelly Stewart and Heather White, and Kathy</p> <p>19 trained those two on becoming class instructors.</p> <p>20 Where I never took compensation for the</p> <p>21 sugar class, for the classes that Kathy did teach, when</p> <p>22 instructors called in, Kathy took classroom -- class</p> <p>23 instructor pay.</p> <p>24 Q. You were paid by Sweet Wise, so you, in</p> <p>25 fact, were paid for those classes --</p>	<p style="text-align: right;">Page 125</p> <p>1 A. Correct.</p> <p>2 Q. Modeled gumpaste?</p> <p>3 A. Modeling chocolate and gumpaste, sure.</p> <p>4 Q. Celebrity classes?</p> <p>5 A. A celebrity has taught the class, yes.</p> <p>6 Q. And then she did one called "Topsy-Turvy"?</p> <p>7 A. Yes.</p> <p>8 Q. She did a class called "Wedding Cake</p> <p>9 Basics"?</p> <p>10 A. Yes.</p> <p>11 Q. Those are among others.</p> <p>12 Mr. Gentry, on this product, THE MAT, in</p> <p>13 fact, Ms. Gentry created the prototype for this product</p> <p>14 in about 2006 or 2007, before she even knew you;</p> <p>15 correct?</p> <p>16 A. Kathy had been taught this method by</p> <p>17 another cake decorator that owned another store like</p> <p>18 Sweet Wise. That person showed Kathy this method using</p> <p>19 craft store vinyl, which is not food safe. That was</p> <p>20 the method that Kathy was teaching and that's what she</p> <p>21 was selling in the classroom was nonsafe -- nonsafe</p> <p>22 vinyl, nonfood-safe vinyl.</p> <p>23 So the idea for the product was to create</p> <p>24 something that was food safe that we could sell as a</p> <p>25 food-preparation item. Kathy was just selling vinyl</p>

<p style="text-align: right;">Page 126</p> <p>1 prior to meeting me. 2 Q. But she did the prototype for what became 3 THE MAT? 4 A. Well, that came out of, actually, a book 5 that was written back in the 1970s, I believe, by the 6 Winebackers (phonetic). 7 MS. TAYLOR: Your Honor, I submit that 8 the witness is not being responsive to the questions. 9 THE COURT: Ask your question again, 10 Ms. Taylor. 11 BY MS. TAYLOR: 12 Q. Was Ms. Gentry using the prototype for THE 13 MAT in the Sweet Wise business in 2006 and 2007 before 14 she even met you? 15 MS. PERKY: Your Honor, I would 16 object. I think it's asked and answered, it's just not 17 the answer that she wants. 18 THE COURT: That answer, Mr. Gentry, 19 is either "yes," or "no," or "I don't know." 20 THE WITNESS: I would say I don't 21 know. I mean, I look at it and say it's the food-safe 22 product that's the real product, you know, coming up 23 with that. So . . . 24 BY MS. TAYLOR: 25 Q. The product was actually for being able to</p>	<p style="text-align: right;">Page 128</p> <p>1 THE COURT: That will be No. 11. 2 (Marked Exhibit 11.) 3 BY MS. TAYLOR: 4 Q. It was not until two years later that the 5 amended application was submitted; correct? 6 A. That's correct. 7 Q. Now, in terms of talking recently with the 8 patent attorney, you're the one who first called the 9 patent attorney to talk to them about the divorce; 10 right? 11 A. No, that's not correct at all. 12 Q. And if there's an e-mail from the patent 13 attorney saying he received a phone call from you, 14 that's incorrect? 15 MS. PERKY: Calls for speculation, 16 Your Honor. 17 THE WITNESS: I don't know -- 18 THE COURT: Hang on, Mr. Gentry. 19 Do we have the e-mail? Are you going 20 to show him the e-mail? 21 MS. TAYLOR: I'll have to find it, 22 Your Honor. 23 MS. PERKY: Your Honor, I would object 24 to the e-mail anyway. It's hearsay. It's an 25 out-of-court statement by an attorney. The attorney is</p>
<p style="text-align: right;">Page 127</p> <p>1 roll the fondant between two pieces of vinyl? 2 A. Yes, ma'am. 3 Q. And that is, in fact, what she was doing? 4 A. Yes, it was. 5 Q. Now, when the first patent was applied for, 6 that was in 2011 and just in Ms. Gentry's name; 7 correct? 8 A. That's correct. 9 MS. TAYLOR: Your Honor, I'd like to 10 make this as the next exhibit. 11 MS. PERKY: Your Honor, I would object 12 to it being entered as an exhibit until after -- if 13 Mr. Gentry can identify it. 14 THE COURT: Okay. 15 BY MS. TAYLOR: 16 Q. Mr. Gentry, have you seen this patent 17 application before? 18 A. Yes. 19 Q. Okay. You know this is the original patent 20 application that was submitted in Ms. Gentry's name 21 only in March of 2011? 22 A. Yes, I do. 23 THE COURT: All right. I think it's 24 sufficiently identified. 25 MS. PERKY: No objection, Your Honor.</p>	<p style="text-align: right;">Page 129</p> <p>1 not even here for me to cross-examine or put on any 2 evidence at all, or even know if it's a complete chain 3 of the e-mail. I mean . . . 4 THE COURT: Do you have a response to 5 that, Ms. Taylor? 6 MS. TAYLOR: The response is 7 Mr. Gentry is the one who brought up this line of 8 questioning, and he is testifying that Ms. Gentry 9 contacted the patent attorney and that's what he was 10 told. 11 I can bring in Ms. Gentry's testimony 12 to testify that when -- she received a phone call from 13 the patent attorney after Mr. Gentry had called. 14 THE COURT: All right. I think that's 15 probably the better way to get there. 16 BY MS. TAYLOR: 17 Q. With regard to the business, Mr. Gentry, 18 when Ms. Gentry filed for divorce in April of 2014, you 19 told her you were going to quit the business; correct? 20 A. No. 21 Q. You told her you gave her all the business 22 files? 23 A. What had happened was a particularly 24 excruciating night, where Kathy was yelling at me, and 25 I just wanted peace. And I told Kathy, you know, I</p>

<p style="text-align: right;">Page 130</p> <p>1 don't want to fight you for the business, you can have 2 it. I just -- it's not worth it to me to fight over 3 this thing. 4 My meaning in that was that I would receive 5 the value that I've created out of the business but 6 Kathy could keep the business and continue to run the 7 business, and I would not contest that. And that's 8 still my position. 9 When I told Kathy that, she immediately 10 said, Give me your credit card right now. 11 And in a beaten-down state of just wanting 12 a night's peace, I gave her my credit card. And then 13 she wanted all of the checks and everything. And I 14 said, You know, fine, whatever. 15 And so it's not quitting. It was 16 acquiescing to try to find some peace. 17 Q. I'll show you your e-mail to Ms. Gentry. 18 Do you recall this e-mail of April 28, 2014? 19 A. Yes, I do. 20 Q. So you voluntarily put all the payables and 21 subfiles on the table and gave them to her? 22 A. I just testified to that. 23 Q. At that point in time, Ms. Gentry began 24 paying the bills for the business? 25 A. She began signing the checks, yes.</p>	<p style="text-align: right;">Page 132</p> <p>1 business? 2 A. No. 3 Q. She's the sole owner; correct? 4 A. I look at us as partners from when I joined 5 in 2009. 6 Q. Are the -- 7 A. I think Kathy has also recognized us as 8 partners also. 9 Q. Are the K-1s that you prepared and filed 10 with the IRS showing Ms. Gentry as the sole owner? 11 A. They are. The reason that I do that is 12 there are advantages to having a woman own a business. 13 As the company grew, it was my intention to use it as a 14 woman-owned business to gain access into other 15 countries to distribute our products. 16 Q. I'd like to show you a collective exhibit 17 of the K-1s. 18 THE COURT: Do you want to make his 19 e-mail of April 22nd an exhibit? 20 MS. TAYLOR: Yes, Your Honor. I 21 apologize. 22 THE COURT: That's all right. 23 Exhibit 12. 24 (Marked Exhibit 12.) 25 ///</p>
<p style="text-align: right;">Page 131</p> <p>1 Q. And she has continued to do so through that 2 day? 3 A. Yes. 4 Q. Or through this day. 5 Ms. Gentry -- you did not go to the 6 business for several weeks; correct? 7 A. It was for a couple of weeks. I had told 8 Kathy, after a counseling session, that I was going 9 to -- at the time, I was thinking it was filing for a 10 restraining order, but it's a petition for a contempt 11 that was ultimately filed. And I told Kathy if we 12 didn't restore the status quo that I was going to go 13 file -- hire an attorney and file a petition. 14 And so that night, she gave me back the 15 bank card and the company credit card. And I resumed 16 my responsibilities at Sweet Wise, and she signed and 17 issued a stock certificate for 45 percent of the 18 company to me. 19 Q. On that stock certificate, Mr. Gentry, you 20 kept asking Ms. Gentry to put your name on the 21 business; correct? 22 A. We were already partners for the business. 23 I just wanted it to be recognized formally. 24 Q. My question is, did you keep asking 25 Ms. Gentry to put your name as an owner on the</p>	<p style="text-align: right;">Page 133</p> <p>1 BY MS. TAYLOR: 2 Q. Okay. This collective exhibit is the K-1s 3 of 2010, 2011, 2012, and 2013. And it does show 4 Katherine Wise as the 100 percent owner of the stock. 5 A. That's correct. 6 MS. PERKY: Can I look at the 7 exhibit first? 8 MS. TAYLOR: Yes. You may have to 9 look at the one for the witness. I somehow don't have 10 an extra copy for you. My apologies. 11 I have now put together a copy I will 12 hand the witness -- do you need one or do you have one? 13 MS. PERKY: I don't have one. I would 14 love one. Thank you. 15 BY MS. TAYLOR: 16 Q. That K-1 was prepared by you; correct, 17 Mr. Gentry? 18 A. Pardon me? 19 Q. That K-1 was prepared by you? 20 A. That's correct. 21 Q. You didn't ask Ms. Gentry to -- going back 22 to this time in April, you asked Ms. Gentry to 23 reconcile with you and work on the marriage; correct? 24 A. Yes. 25 Q. And she wanted to go to counseling;</p>

1 correct?
 2 A. Yes.
 3 Q. And the two of you discussed that you would
 4 go to counseling and wanted her to put your name on a
 5 stock certificate?
 6 A. No.
 7 Q. You don't recall that event at all?
 8 A. That didn't happen.
 9 Q. You don't recall Ms. Gentry beginning to
 10 sign the certificate and said, Are you tricking me?
 11 A. No.
 12 Q. Do you recall that after that, you went to
 13 one counseling session and then refused to go back?
 14 A. We actually went to four counseling
 15 sessions.
 16 Q. No. After that event, not before.
 17 MS. PERKY: Your Honor, I think his
 18 testimony was that event didn't happen.
 19 THE COURT: Yeah, I think that's -- if
 20 his testimony is that didn't happen, then --
 21 MS. TAYLOR: I'll have Ms. Gentry
 22 testify about that Your Honor.
 23 THE COURT: All right.
 24 BY MS. TAYLOR:
 25 Q. Ms. Gentry did give the business debit card

1 divorce, my assumption was, at that point in time, that
 2 she was going to try to lock me out of the business. I
 3 had no money, no savings. I've left everything in the
 4 business to try to grow the business.
 5 So without any money for an attorney, I
 6 just -- I didn't have anything. So I went and cashed a
 7 check for \$3800 to use as a retainer fee.
 8 Kathy said that she would return the bank
 9 card to me if I would return that \$3800. She said she
 10 didn't intend to cancel the bank card, that she didn't
 11 mean to, and if I didn't put the \$3800 back that she
 12 would also go out and take \$3800 out of the bank.
 13 I did return the 3800. She did not return
 14 the bank debit card.
 15 Q. She did return the bank debit card, and you
 16 used it for a while; right, Mr. Gentry?
 17 A. Let me restate that. So I went to the gas
 18 station to use it. It didn't work. Kathy told me she
 19 would have a new one issued if I returned the \$3800.
 20 And she did not have a new card issued.
 21 Q. We'll have Ms. Gentry testify on that.
 22 MS. PERKY: Your Honor, I don't
 23 believe he was done testifying.
 24 Were you?
 25 MS. TAYLOR: I thought he was.

1 back to you for use; correct?
 2 A. Yes.
 3 Q. And the business credit card?
 4 A. Yes.
 5 Q. Now, the business account is at Regions
 6 bank; correct?
 7 A. That's correct.
 8 Q. You had been taken off as a signer;
 9 correct?
 10 A. I don't know when I was taken off as a
 11 signatory.
 12 Q. But you were taken off as a signatory at
 13 some point in time; right?
 14 A. At some point in time, yes.
 15 Q. And then without discussing it with
 16 Ms. Gentry in advance, you went to the bank and wrote a
 17 3800-dollar check to yourself?
 18 A. That's correct. What had happened was I
 19 went to the gas station to use the bank debit card and
 20 it didn't work. I called Kathy up and said, The bank
 21 debit card isn't working.
 22 She said, Why did you try to use it? And
 23 then she hung up the phone on me. I tried to call her
 24 back several times and she wouldn't answer the phone.
 25 Because of how she was behaving with the

1 THE COURT: I actually thought he was.
 2 MS. PERKY: All right. I'm sorry.
 3 BY MS. TAYLOR:
 4 Q. You still had a business credit card;
 5 right?
 6 A. Yes.
 7 Q. And do you recall having a discussion with
 8 Ms. Gentry after she requested that you not put
 9 personal expenses on the business credit card?
 10 A. We actually -- when Kathy gave me back the
 11 credit card, I sent an e-mail to Kathy and said, Hey,
 12 let's all make sure we're in agreement here on how
 13 we're going to use the card going forward. And I said,
 14 Let's use this for personal meals, and that way we're
 15 using it with pretax dollars, it's effectively giving
 16 us a 20 percent discount. Instead of using a personal
 17 card, we use the business card and it's a de minimis
 18 fringe benefit.
 19 Kathy agreed to that and said yes. And
 20 then she wrote back later and said that she had also
 21 gone out for personal meals as well.
 22 Q. I'll show you an e-mail that I'd like to
 23 make an exhibit, dated July 13, 2014, from -- in the
 24 middle of the page, it's from you to Ms. Gentry. And
 25 then below that is your e-mail to Dancho.

<p style="text-align: right;">Page 138</p> <p>1 MS. PERKY: Your Honor, I want to 2 object that there's -- it appears that this e-mail has 3 been altered. I mean, I don't believe that he 4 highlighted it in green. 5 THE WITNESS: This e-mail has 6 definitely been altered. 7 THE COURT: Okay. Hang on a second. 8 First things first. Did you make the K-1s an exhibit? 9 MS. TAYLOR: I hope so, Your Honor. I 10 meant to. 11 THE WITNESS: Your Honor. 12 THE COURT: All right. If you didn't, 13 we are. 14 MS. TAYLOR: Please make them an 15 exhibit. 16 THE COURT: That's No. 13. 17 (Marked Exhibit 13.) 18 THE COURT: Now, with respect to this 19 e-mail, there's some highlighting on there. Was that 20 added by you, Ms. Taylor, or is that -- 21 MS. TAYLOR: I believe that was added 22 by me. 23 THE COURT: All right. Other than the 24 highlighting, is there any objection to alterations, 25 Ms. Perky?</p>	<p style="text-align: right;">Page 140</p> <p>1 It's what I just stated to the Court just 2 now. So Kathy wrote back and said, I think this is 3 fair. If it demands greater or less, we can revisit 4 it. 5 So right here she's approving, saying that, 6 yes, we can use this for personal expenses. 7 Now, when I said it's not used for personal 8 spending, my intent when saying that is I'm not going 9 to go to Best Buy and get a movie or something like 10 that. 11 Q. But what you were saying is that your 12 personal -- you could use your personal card for a 13 business lunch or dinner. That was a legitimate 14 business expense? 15 A. Well, it's also -- you know, I was there 16 working late, sometimes until 10 o'clock, shipping, 17 when it was really heavy, when I first started in 18 there. And an overtime meal is a de minimis fringe 19 benefit. If you go by yourself, it's certainly tax 20 deductible. 21 MS. TAYLOR: I'll make that the next 22 exhibit. 23 THE COURT: All right. That's No. 14. 24 MS. PERKY: Your Honor, I would -- 25 THE COURT: Go ahead. Tell me what</p>
<p style="text-align: right;">Page 139</p> <p>1 MS. PERKY: Well, I guess I would want 2 Mr. Gentry to respond whether or not this is a true and 3 correct representation of their e-mail exchange or if 4 there's been parts of the conversation that have been 5 excluded, if there were parts before or parts after. 6 THE COURT: Sure. All right. I'll 7 let him testify to that. And if you think it's 8 necessary to include other parts, we certainly can work 9 on that; all right? 10 So go ahead and ask him, Ms. Taylor. 11 BY MS. TAYLOR: 12 Q. Mr. Gentry, in the middle of the page it 13 has, John Gentry. It starts, Dancho. It says in the 14 middle of that, Our cards will not be used for personal 15 spending. 16 Do you see that? 17 A. And the paragraph down below says, Speaking 18 with Kathy today, we should set a budget for each of us 19 for restaurant and dining, and this is a de minimis 20 fringe benefit. If Kathy and I use personal cards to 21 pay for a lunch or dinner, that meal is being paid for 22 with dollars on which we are paying personal taxes. 23 Our personal tax rate is 15 percent. If we use a 24 company card instead, this results in, effectively, 25 receiving a 15 to 20 percent discount.</p>	<p style="text-align: right;">Page 141</p> <p>1 your objection is. 2 MS. PERKY: Again, it's an altered 3 e-mail. This is not the original form that it was 4 sent. It didn't have the highlighting. Secondly, I 5 believe that he said that this isn't a true and correct 6 copy of their correspondence, that there were parts 7 before and parts after. And, yet, we're just taking 8 out certain parts of the conversation and putting it in 9 as an exhibit. I don't think that's proper. 10 THE COURT: All right. 11 THE WITNESS: There's a -- 12 THE COURT: Hang on, Mr. Gentry. 13 The alteration is the highlighting. 14 The substance -- and I understand that. I don't think 15 anybody's suggesting that the words are altered. 16 She focused on "our cards will not be 17 used for personal spending." He said, Yes, there's 18 more to the conversation, but then he referenced 19 language in the e-mail itself. 20 So I understand the position that 21 she's taking with her question. I understand his 22 response is that the paragraph following that sentence 23 is clarifying what he means by that. 24 (Marked Exhibit 14.) 25 THE WITNESS: And there's a -- Your</p>

1 Honor, if I may, there's a --
 2 THE COURT: Hang on. Before you start
 3 talking, you'd better -- I wouldn't talk unless your
 4 attorney asks you a question; okay?
 5 THE WITNESS: Yes, sir.
 6 BY MS. TAYLOR:
 7 Q. You've continued to use the business credit
 8 card for many, many personal meals?
 9 A. I've continued to use the credit card for
 10 personal meals. We both did, and we both agreed to it,
 11 yes.
 12 Q. Do you recall a letter to your attorney
 13 asking that you quit using the credit card for personal
 14 meals?
 15 A. I do.
 16 Q. And you continued; correct?
 17 A. Kathy had taken -- she had -- aside from
 18 that, there was a contradictory e-mail that Kathy had
 19 sent to me saying, Hey, I took a look at your personal
 20 spending, and it's totally understandable since you've
 21 been working so much in the store. I just want to go
 22 take the kids out to dinner on the credit card. Is
 23 that okay?
 24 So it seemed contradictory to what was
 25 stated in there. She looked at it -- that e-mail that

1 I'm referencing was dated very close to that letter
 2 from your office.
 3 Q. So is your answer to the question, yes, you
 4 continued to put your personal meals on the company
 5 credit card even after being requested not to?
 6 A. My understanding of what was being
 7 requested --
 8 THE COURT: Mr. Gentry. All right.
 9 Listen to her question. She's asking you a question
 10 that has a "yes" or a "no" answer. You can say "yes,"
 11 or "no," or "I don't know." And if you want to
 12 explain, I'm going to let you, but answer her question
 13 first.
 14 Okay. Did you hear what I said?
 15 If she asks you a question that calls
 16 for a "yes" or "no" response, you can answer "yes,"
 17 "no," "I don't know." Then explain your answer; okay?
 18 THE WITNESS: Yes, sir.
 19 THE COURT: Okay.
 20 BY MS. TAYLOR:
 21 Q. Did you continue to use the company credit
 22 card for your personal meals when you were requested to
 23 quit doing so through counsel?
 24 A. No. The -- where I was requested through
 25 counsel, my understanding was to, like, not go out to

1 dinner or something like that. The other personal
 2 meals, I was working in the store. Every time I work
 3 in the store, I go to lunch.
 4 Q. Every time an owner works in a store,
 5 that's not a deductible business expense.
 6 MS. PERKY: Your Honor, that's not a
 7 question.
 8 MS. TAYLOR: He's a CPA.
 9 MS. PERKY: That wasn't a question.
 10 That's testimony from counsel.
 11 THE COURT: Why don't you just restate
 12 the question, Ms. Taylor.
 13 BY MS. TAYLOR:
 14 Q. When you use a business credit card for a
 15 personal expense, that is to be included in personal
 16 income; correct?
 17 A. Unless it's a de minimis fringe benefit.
 18 Q. You kept using the business credit card for
 19 personal meals on an ongoing basis after being
 20 requested not to?
 21 MS. PERKY: Your Honor, it's been
 22 asked and answered three times now.
 23 THE COURT: Sustained on that.
 24 MS. TAYLOR: I can't figure out the
 25 answer.

1 THE COURT: All right. What he's
 2 saying -- where we're getting hung up here is, he's
 3 going to call every personal meal a de minimis fringe
 4 benefit. So I know what he's saying. I know what
 5 you're saying. I've got to make a decision on it.
 6 BY MS. TAYLOR:
 7 Q. When you take someone out on a date and use
 8 the company credit card, that's not an appropriate use
 9 of a company credit card, is it?
 10 MS. PERKY: Calls for speculation,
 11 Your Honor.
 12 THE COURT: No. I'm going to let him
 13 answer that. He can answer that.
 14 THE WITNESS: That's not a business
 15 expense, and it is something I never did.
 16 BY MS. TAYLOR:
 17 Q. Do you recall in your interrogatory answers
 18 you state that you went to Carrabba's on August the
 19 8th, 2014, with a date?
 20 A. I don't recall the exact date, but that
 21 sounds probably right. But I can assure you that I
 22 never used the company credit card to pay for a date.
 23 Absolutely not.
 24 MS. TAYLOR: Your Honor, unfortunately
 25 we'll have to share this exhibit, but I'll show it to

1 Mr. Gentry first.
 2 MS. PERKY: Can I actually see it
 3 first, please?
 4 BY MS. TAYLOR:
 5 Q. You show a charge on the credit card to
 6 Carrabba's on August the 8th of 2014.
 7 A. There is a charge on there for \$40. If I
 8 were to go on a date -- and Kathy knows this -- the
 9 bill would never be \$40. That would be enough for one
 10 person, which is exactly what this meal was, was for
 11 myself.
 12 If I go to Carrabba's and I go with another
 13 person, we have a bottle of wine, we'll usually have
 14 appetizers. Kathy and I always did that. And if it
 15 were a date, the bill would probably be 120 to \$180
 16 probably. So this -- this meal here is absolutely me
 17 by myself.
 18 MS. TAYLOR: I'd like to mark this as
 19 the next exhibit, Your Honor.
 20 THE COURT: It will be Exhibit No. 15.
 21 (Marked Exhibit 15.)
 22 BY MS. TAYLOR:
 23 Q. Do you recall, Mr. Gentry, in answer to
 24 Interrogatory No. 25, asking about women you had dated,
 25 you said you went to Janelle (phonetic) --

1 THE COURT: It's not for her. The
 2 question is did you use the company credit card, even
 3 if it's for yourself, when you went to dinner with her.
 4 THE WITNESS: Oh, no, I did not.
 5 THE COURT: Okay. I don't think we're
 6 on the same page here. Let me try again.
 7 THE WITNESS: You're asking -- so if
 8 we went and I -- maybe we went Dutch or I paid
 9 separately for myself or something like that, and used
 10 the company credit card? No, sir, I did not.
 11 THE COURT: All right. So you're
 12 saying that on August 8, 2008, this Carrabba's charge
 13 does not line up with this interrogatory answer?
 14 THE WITNESS: I believe it's not, sir.
 15 THE COURT: Okay.
 16 BY MS. TAYLOR:
 17 Q. Okay. Mr. Gentry, even if there was an
 18 agreement, in your words, in that prior e-mail to use
 19 the company credit card for personal expenses, you said
 20 it should be a limit of \$225 per month; correct?
 21 A. I believe so. Kathy also mentioned that we
 22 could revisit the amount and have it more or less, if
 23 we needed.
 24 Q. The two of you did not agree to do that,
 25 did you?

1 MS. PERKY: Objection, Your Honor, as
 2 to relevance. I mean, again, if it's going to be
 3 couched in financial issues, then I'm fine with that.
 4 But if we're just talking about whether or not
 5 Mr. Gentry has gone on dates, I mean, I don't think
 6 that that's relevant to the issues that the Court has
 7 to determine today.
 8 MS. TAYLOR: If I could complete his
 9 answer, please, Your Honor.
 10 It says, We had one date around
 11 8/8/14. We met at Carrabba's at Indian Lake.
 12 MS. PERKY: What's the question?
 13 BY MS. TAYLOR:
 14 Q. You went to Carrabba's with her when you
 15 used the company credit card; correct?
 16 A. I did not use the company credit card with
 17 Janelle.
 18 THE COURT: That wasn't her question.
 19 Her question was, did you use the company credit card
 20 when you went to Carrabba's with her?
 21 THE WITNESS: No, I did not.
 22 THE COURT: All right. You might want
 23 to reask it again, Ms. Taylor. I'm not sure he's . . .
 24 THE WITNESS: Was the question did I
 25 use the credit card --

1 A. Kathy wrote me an e-mail, said she had
 2 reviewed my meal spending on the credit card and said
 3 that it was totally understandable.
 4 Q. When was that e-mail, Mr. Gentry?
 5 A. I believe that was in late July or early
 6 August.
 7 Q. You don't have that with you, do you?
 8 A. Yes, we do. It's in a binder here.
 9 Q. Mr. Gentry, I'm going to show you a
 10 transaction list of spending on Capital One. That's
 11 the business credit card; correct?
 12 A. That's correct.
 13 Q. This goes back, and the last page starts
 14 with September the 4th of 2014, through November the
 15 21st; correct?
 16 A. Yes.
 17 MS. TAYLOR: I'd like to mark that the
 18 next exhibit.
 19 THE COURT: All right. That's No. 16.
 20 (Marked Exhibit 16.)
 21 BY MS. TAYLOR:
 22 Q. These are all charges made by you on the
 23 business credit card; correct?
 24 A. That looks about right, yes.
 25 MS. TAYLOR: Your Honor, I would

1 submit that they exceed the agreed-to amount.
 2 THE WITNESS: Pardon me?
 3 BY MS. TAYLOR:
 4 Q. They exceed the agreed-to limit of 225 per
 5 month; correct?
 6 A. Yes, they do. As I mentioned before, Kathy
 7 had said that it was totally understandable. She
 8 mentioned in an e-mail, I see that you went way over
 9 your budget. It's totally understandable.
 10 I wrote her back and said I didn't really
 11 go over budget by that much. It's customary for me. I
 12 generally work from home and not in the store. But I
 13 was in shipping, and packing boxes every day, so I
 14 would treat myself to lunch as an overtime meal.
 15 Q. It was after these continued charges, then,
 16 that Ms. Gentry canceled your use of the business
 17 credit card; right?
 18 A. No. I think that she canceled the business
 19 credit card after I went on a trip to Tunica and went
 20 to a casino there for a night. And Kathy had pinged me
 21 several times, I think, and that was when she had
 22 canceled my credit card. I think it was because she
 23 was annoyed that I was in Tunica.
 24 Q. And used the business credit card?
 25 A. Pardon?

1 Q. And used the business credit card?
 2 A. No, I did not use the business credit card.
 3 Q. You used the business credit card to get
 4 gas to get down there?
 5 A. No. She had already canceled my gas long
 6 before that. It was after -- she canceled my gas back
 7 in August. That was just after Thanksgiving that I
 8 went.
 9 Q. Let's go to this account that was pinged.
 10 You, in fact, are the person who set up the Apple
 11 devices at the house so they had the "Follow My iPhone"
 12 app on them; correct?
 13 A. I did not set them up so that they had
 14 "Find My iPhone," but I did set up the devices in the
 15 iTunes account.
 16 Q. Mr. Gentry, going back to the issues -- I'm
 17 going to move on from this and go to the issues
 18 regarding THE MAT. During the description of what you
 19 said you did as a co-inventor of THE MAT, that was done
 20 when you were working at Sweet Wise; correct?
 21 A. It's when we were partners at Sweet Wise,
 22 yes.
 23 Q. Okay. But you -- that was where you saw
 24 Ms. Gentry teaching the class; correct?
 25 A. Say it again.

1 Q. That is where you saw Ms. Gentry teaching
 2 the class you referred to?
 3 A. Yes.
 4 Q. Okay. And you said that you were a
 5 co-inventor. All of this work occurred while you were
 6 receiving a salary from Sweet Wise?
 7 A. That's correct.
 8 Q. Okay. And Sweet Wise paid you for all the
 9 salary you did while working on that; correct?
 10 A. Sweet Wise -- I don't understand your
 11 question.
 12 Q. Sweet Wise paid you a salary during the
 13 time you said you were being the co-inventor on THE
 14 MAT?
 15 A. That's correct.
 16 Q. In fact, you're the one who determined what
 17 your salary was?
 18 A. Yes, I did.
 19 Q. All of these contacts you made, talking
 20 about the wholesaler and the person in Seattle, these
 21 were contacts that came about through Sweet Wise?
 22 A. I don't understand what you mean by "Sweet
 23 Wise."
 24 Q. The business Sweet Wise. That's where you
 25 knew these contacts and these wholesalers; correct?

1 A. I don't know. How I found them was I
 2 looked up on the Internet for plastics manufacturers
 3 and I called them.
 4 Q. And the Internet you were using while you
 5 were working at Sweet Wise?
 6 A. Just using my Internet at home.
 7 Q. Through the Sweet Wise account?
 8 A. Sweet Wise was paying for the Internet.
 9 I'm not sure if Sweet Wise was paying for that then or
 10 not. Might have been.
 11 Q. And when you -- you said you went to
 12 Seattle. Who paid for that trip?
 13 A. I never went to Seattle.
 14 Q. I thought you said you went to Washington.
 15 A. We went to Washington for the
 16 manufacturing, so virtually.
 17 Q. Who paid for that trip?
 18 A. I didn't travel to Washington.
 19 Q. You said you went to Washington.
 20 A. I'm saying we -- we went with a
 21 manufacturer in Washington State.
 22 Q. Okay.
 23 A. We selected them to manufacture our
 24 product.
 25 Q. You didn't go to meet with them?

<p style="text-align: right;">Page 154</p> <p>1 A. No, ma'am.</p> <p>2 Q. Did you go to meet with any other suppliers</p> <p>3 about this mat?</p> <p>4 A. No, ma'am.</p> <p>5 Q. On the issue of the use of the company car,</p> <p>6 you recall in this letter of October 2nd between the</p> <p>7 attorneys that you were asked to cease using the</p> <p>8 company car for dating?</p> <p>9 A. I don't remember it mentioning dating in</p> <p>10 there.</p> <p>11 Q. Let me show you this letter, Mr. Gentry,</p> <p>12 that was sent to your attorney on October 2nd, 2014.</p> <p>13 MS. PERKY: Your Honor, I would object</p> <p>14 to this coming in as evidence unless Mr. Gentry also</p> <p>15 received a copy of this letter and reviewed it.</p> <p>16 Otherwise, it's hearsay of Ms. Taylor.</p> <p>17 THE COURT: All right. Hang on,</p> <p>18 before we get too far with our speaking objection.</p> <p>19 Mr. Gentry, have you seen this letter</p> <p>20 before?</p> <p>21 THE WITNESS: I did, sir. My attorney</p> <p>22 forwarded it to me.</p> <p>23 THE COURT: All right. Go ahead,</p> <p>24 Ms. Taylor.</p> <p>25</p>	<p style="text-align: right;">Page 156</p> <p>1 would never drive intoxicated.</p> <p>2 Q. Mr. Gentry, I'm going to show you an</p> <p>3 e-mail --</p> <p>4 THE COURT: Do you want to make this</p> <p>5 an exhibit?</p> <p>6 MS. TAYLOR: I'm sorry, Your Honor. I</p> <p>7 keep losing myself. Yes, sir, please.</p> <p>8 THE COURT: All right. That's fine.</p> <p>9 That will be No. 17.</p> <p>10 (Marked Exhibit 17.)</p> <p>11 BY MS. TAYLOR:</p> <p>12 Q. Do you -- did you send this e-mail of</p> <p>13 October 7, 2014, to Jimmy "Lander," asking what would</p> <p>14 happen if alcohol were involved?</p> <p>15 A. Yeah. Jimmy Anders is our -- yes, I did.</p> <p>16 Jimmy Anders is our insurance agent. And after Kathy</p> <p>17 had taken my car, I didn't think that it was justified</p> <p>18 that she took my car. And even if I went and had a</p> <p>19 couple of glasses of wine with dinner, I wanted to find</p> <p>20 out if we were protected. We have a million-dollar</p> <p>21 umbrella policy, as well as the vehicles are insured.</p> <p>22 I didn't think it was an issue, and I just wanted to</p> <p>23 confirm that.</p> <p>24 And what I found out was that the vehicles</p> <p>25 weren't properly insured. They should have been on</p>
<p style="text-align: right;">Page 155</p> <p>1 BY MS. TAYLOR:</p> <p>2 Q. Going to the last paragraph, Mr. Gentry, we</p> <p>3 asked that you stop using the company car to go on</p> <p>4 personal excursions where you were drinking at bars and</p> <p>5 then driving the car that put the company at risk;</p> <p>6 correct?</p> <p>7 A. They asked me in the letter, yes.</p> <p>8 Q. Okay. Did you do that, or did you keep</p> <p>9 doing it?</p> <p>10 A. I continued my normal behavior from before</p> <p>11 we filed for divorce. And my normal behavior is I go</p> <p>12 out to restaurants. I always have. Kathy and I went</p> <p>13 out quite often.</p> <p>14 Q. Ms. Gentry was concerned that you were</p> <p>15 putting the business at risk when you drank and drove</p> <p>16 in the company car; correct?</p> <p>17 MS. PERKY: Objection. This is</p> <p>18 speculation. He doesn't know what Ms. Gentry --</p> <p>19 THE COURT: Sustained.</p> <p>20 BY MS. TAYLOR:</p> <p>21 Q. Were you putting the company at risk when</p> <p>22 you used the company car after you had been drinking?</p> <p>23 A. Absolutely not.</p> <p>24 Q. How is that?</p> <p>25 A. I drive well within the legal limits. I</p>	<p style="text-align: right;">Page 157</p> <p>1 commercial policies, which Kathy later did add after</p> <p>2 she had taken the car away from me. And under that --</p> <p>3 if they had been moved under that, there would have</p> <p>4 been a million-dollar umbrella and there wouldn't have</p> <p>5 been any issue even if I were drinking and driving.</p> <p>6 Q. But the way the policy was set up at that</p> <p>7 time, there was no umbrella coverage because there</p> <p>8 was --</p> <p>9 A. Because it was on a personal policy, that's</p> <p>10 correct.</p> <p>11 Q. It was on a personal policy, which you had</p> <p>12 been in charge of handling; correct?</p> <p>13 A. That's correct.</p> <p>14 MS. TAYLOR: I would like to mark that</p> <p>15 the next exhibit, Your Honor.</p> <p>16 THE COURT: No. 18.</p> <p>17 (Marked Exhibit 18.)</p> <p>18 BY MS. TAYLOR:</p> <p>19 Q. You then turned the car in voluntarily?</p> <p>20 A. I did not.</p> <p>21 Q. You did not?</p> <p>22 A. I did not. I e-mailed Kathy and I said,</p> <p>23 What you're doing, taking this car away from me, is</p> <p>24 violating the status quo. However, I'll return the car</p> <p>25 because I think you'll call the police on me, and I</p>

40 (Pages 154 to 157)

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<p style="text-align: right;">Page 158</p> <p>1 don't want to deal with the hassle of that.</p> <p>2 So it was under protest I returned the car.</p> <p>3 Q. You then bought a Mercedes?</p> <p>4 A. I leased a Mercedes. It's all I could</p> <p>5 afford.</p> <p>6 Q. There were certainly less expensive cars to</p> <p>7 lease than a Mercedes?</p> <p>8 A. Kathy's car payment on her Nissan</p> <p>9 Pathfinder is \$642 a month. The payment on my Lexus</p> <p>10 that the company bought was \$849 a month.</p> <p>11 The lease on my new car is about \$400. So</p> <p>12 it's half of the lease -- or it's half of the amount</p> <p>13 that we used to pay on my previous vehicle, and it's</p> <p>14 \$200 less per month than what Kathy spends on her car.</p> <p>15 I did a fantastic job negotiating with the</p> <p>16 dealer, and I had them knock off quite a bit of the</p> <p>17 price. I think it was a great deal.</p> <p>18 MS. TAYLOR: Your Honor, can we submit</p> <p>19 the answer to my question was "yes"?</p> <p>20 THE COURT: Yes.</p> <p>21 BY MS. TAYLOR:</p> <p>22 Q. Is this a picture of you standing in front</p> <p>23 of your new car, Mr. Gentry?</p> <p>24 MS. TAYLOR: And I'd like to mark that</p> <p>25 as the next exhibit, please.</p>	<p style="text-align: right;">Page 160</p> <p>1 BY MS. TAYLOR:</p> <p>2 Q. Mr. Gentry, I'll show you another e-mail of</p> <p>3 December 1, 2014. This is after your Capital One card</p> <p>4 was canceled; correct?</p> <p>5 A. Yes.</p> <p>6 Q. And Ms. Gentry did tell you if you would</p> <p>7 keep your receipts that valid meal charges would be</p> <p>8 reimbursed to you through the business; correct?</p> <p>9 A. Yes.</p> <p>10 MS. TAYLOR: I would like to mark that</p> <p>11 the next exhibit, Your Honor.</p> <p>12 THE COURT: All right. Number 20.</p> <p>13 (Marked Exhibit 20.)</p> <p>14 BY MS. TAYLOR:</p> <p>15 Q. Before Ms. Gentry told you you were no</p> <p>16 longer needed at Sweet Wise, you told her you were</p> <p>17 beginning to transition out of the company?</p> <p>18 A. Yes, I did. I sent an e-mail to three key</p> <p>19 people: Paveo, who does all of our accounting; Dancho;</p> <p>20 and Kathy. Dancho does all of our marketing and our</p> <p>21 purchasing, and I copied Kathy. I said, Over the next</p> <p>22 several months -- and my intent was during pendency,</p> <p>23 until the divorce was final, that this would be my</p> <p>24 transition, because I'm going to not contest and give</p> <p>25 the company to Kathy, and that during that period of</p>
<p style="text-align: right;">Page 159</p> <p>1 THE COURT: Nineteen.</p> <p>2 (Marked Exhibit 19.)</p> <p>3 THE WITNESS: This picture, the</p> <p>4 dealer -- or the sales rep that I worked with, he asked</p> <p>5 me to stand in front of the car and said, you know, We</p> <p>6 always do this for new Mercedes buyers.</p> <p>7 BY MS. TAYLOR:</p> <p>8 Q. So that is a picture of you with your new</p> <p>9 car?</p> <p>10 A. Yes, it is.</p> <p>11 Q. Do you recall then bragging about how you</p> <p>12 were driving the new car and you were driving at</p> <p>13 115 miles an hour?</p> <p>14 A. I did try it out.</p> <p>15 Q. And you told the employee in an e-mail that</p> <p>16 you got it up to 115 miles an hour; correct?</p> <p>17 A. Did you say --</p> <p>18 Q. 115 miles per hour?</p> <p>19 A. 115, yes, ma'am.</p> <p>20 Q. And that's what you did?</p> <p>21 A. Yes, ma'am. Briefly.</p> <p>22 MS. TAYLOR: Your Honor, if you'll</p> <p>23 give me a few moments, I may have no further questions.</p> <p>24 THE COURT: Okay.</p> <p>25 (Brief pause.)</p>	<p style="text-align: right;">Page 161</p> <p>1 time I would like to give them an opportunity to stand</p> <p>2 on their own without my leadership. And I would wait</p> <p>3 for them and give them an opportunity to stand up and</p> <p>4 make things happen, or fall down, and then I would be</p> <p>5 there to help them and guide them.</p> <p>6 It was totally an e-mail with the intent of</p> <p>7 saying, I want to help you guys be successful. I want</p> <p>8 to do everything that I can to make sure that this</p> <p>9 business continues after I leave. That was the whole</p> <p>10 intent of it.</p> <p>11 Kathy wrote me an e-mail in response to</p> <p>12 that and said, Why don't you go get your tools and get</p> <p>13 your things and get out of here.</p> <p>14 And I responded back and said, That would</p> <p>15 be a violation of the status quo. My intent is just to</p> <p>16 help you guys during pendency.</p> <p>17 Q. When you were working at the business,</p> <p>18 Mr. Gentry, you've called Ms. Gentry bad names, have</p> <p>19 you not?</p> <p>20 MS. PERKY: Objection, Your Honor. I</p> <p>21 don't see -- I mean --</p> <p>22 THE COURT: Tell me how that's</p> <p>23 relevant, Ms. Taylor.</p> <p>24 MS. TAYLOR: Well, Mr. Gentry says he</p> <p>25 didn't do these things on the separation notices, and</p>

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<p>1 I'd like to go into the insubordination and harassment, 2 along with the other items. 3 THE COURT: To be honest with you, I 4 don't put a whole lot on the language of that 5 separation notice. I don't need to hear that, not this 6 late in the day. 7 MS. TAYLOR: Thank you, Your Honor. 8 If I could talk to my client one moment, please. 9 THE COURT: Yes, ma'am. 10 (Brief pause.) 11 MS. TAYLOR: I have no further 12 questions, Your Honor. 13 THE COURT: Okay. Thank you. 14 Ms. Perky, redirect? 15 MS. PERKY: Yes, Your Honor. 16 17 REDIRECT EXAMINATION 18 BY MS. PERKY: 19 Q. Mr. Gentry, Ms. Taylor asked you about this 20 eStart company that you have started; correct? 21 A. Yes. 22 Q. Have you received any income from that 23 business? 24 A. Zero. 25 Q. Okay. And is that -- do you have any idea</p>	<p>1 not? 2 A. It is, yes. 3 Q. And your income is none; correct? Your 4 present income is zero; correct? 5 A. It's zero right now, yes. 6 Q. Ms. Taylor also asked you a lot about 7 personal expenses which were paid through the business; 8 correct? 9 A. Yes. 10 Q. And this was done -- was this done in 11 agreement -- in agreement with your wife? 12 A. It was done in agreement with her, and we 13 both did it the same way exactly. 14 Q. Did she object to the payment of those 15 expenses prior to the filing for this divorce? 16 A. No. 17 Q. She also asked you about which personal 18 expenses had been paid late. You talked about the 19 Comcast bill. Was that for the marital residence, the 20 Comcast bill at the marital residence? 21 A. The business residence -- or the business 22 bill. 23 Q. Okay. And when you say "the business 24 bill," is that for -- like, the Comcast is actually at 25 Sweet Wise or --</p>
Page 163	Page 165
<p>1 about when you're supposed to receive any income from 2 that business? Do you have anything, any accounts 3 receivable or anything that's in the pipeline? 4 A. There's nothing in the pipeline at this 5 time. 6 Q. Ms. Taylor also asked about the match.com 7 account. How much total monies did you spend on that 8 account? 9 A. Total money? 10 Q. Mm-hmm. 11 A. Maybe 120, \$180. 12 Q. Okay. And what other monies have you 13 spent, if any, on any kind of date that you've gone on? 14 A. Say again, please. 15 Q. What other monies, if any, have you spent 16 on going on dates? 17 A. Going on dates? 18 Q. Mm-hmm. 19 A. Maybe a couple hundred dollars, 200, 300 20 maybe. 21 Q. Okay. Ms. Taylor also talked about how you 22 have not filed an income and expense statement with the 23 Court. Do you recall that? 24 A. Yes, I do. 25 Q. Exhibit 7 is a list of your expenses, is it</p>	<p>1 A. Yes, it's actually at Sweet Wise. It's our 2 cable and -- it's our Internet and our phone service. 3 Q. Okay. But she did let your health 4 insurance lapse; correct? 5 A. Yes, she did. 6 Q. Ms. Taylor also showed you Exhibit 14, 7 which was a July 13, 2014, e-mail; correct? Do you 8 recall that e-mail where she said -- 9 A. Yes. 10 Q. -- where it talks about y'all setting up a 11 budget of what kind of expenses would be paid through 12 the business? 13 A. Yes. 14 Q. Do you recall that? 15 And the copy of the e-mail that Ms. Taylor 16 entered into evidence doesn't have the complete chain 17 of the communications, does it? 18 A. No, it did not. 19 Q. What does it have in here that was not 20 included in Ms. Taylor's chain? 21 A. Kathy's last response to it was, I think 22 I'm going to spend my food allowance on a massage 23 today. Smiley face. 24 Q. Now, this credit card charge that you have 25 at Carrabba's, what credit card did you use to pay</p>

<p style="text-align: right;">Page 166</p> <p>1 that?</p> <p>2 A. For that charge that Kathy's attorney</p> <p>3 showed me, that was the company's Capital One credit</p> <p>4 card.</p> <p>5 Q. Okay. Now, you also talked about how y'all</p> <p>6 agreed to an initial budget of around \$250 for meals</p> <p>7 and expenses; correct?</p> <p>8 A. Yes.</p> <p>9 Q. And then you said that there was an e-mail</p> <p>10 later on that she -- that you had gone over the budget;</p> <p>11 correct?</p> <p>12 A. Yes.</p> <p>13 Q. And that Ms. Gentry responded to you,</p> <p>14 That's totally understandable. I think that was what</p> <p>15 your testimony was; correct?</p> <p>16 A. That's correct.</p> <p>17 THE COURT: Before you show him that</p> <p>18 one, do you want to make this one an exhibit?</p> <p>19 MS. PERKY: Yes, Your Honor. I</p> <p>20 apologize.</p> <p>21 (Marked Exhibit 21.)</p> <p>22 BY MS. PERKY:</p> <p>23 Q. Now, is this that e-mail that you talked</p> <p>24 about that was in August of 2014?</p> <p>25 A. Yes, it is.</p>	<p style="text-align: right;">Page 168</p> <p>1 A. Yes, she does. She mentioned in the e-mail</p> <p>2 that she also went and had two meals by herself, alone,</p> <p>3 and she wanted to get my approval for her to take Logan</p> <p>4 and then Lindsey, her two kids, out to dinner.</p> <p>5 Q. So she's asking for your approval about her</p> <p>6 expenses?</p> <p>7 A. Yes, she is.</p> <p>8 Q. Okay. And did you agree that that was</p> <p>9 fine?</p> <p>10 A. I wrote back and told her in an e-mail, I</p> <p>11 don't think I've ever complained about your spending.</p> <p>12 I'm glad we have the resources to support things like</p> <p>13 that.</p> <p>14 Q. Okay. Now, she talks a lot about --</p> <p>15 Ms. Taylor talked a lot about these letters that were</p> <p>16 sent between counsel, e-mails that Ms. Gentry sent you</p> <p>17 talking about we want you to limit your spending, we</p> <p>18 want you to not spend on personal expenses, just</p> <p>19 business expenses; correct?</p> <p>20 A. The counsel mentioned that, yes.</p> <p>21 Q. Okay. And that was inconsistent with what</p> <p>22 y'all did during the marriage, isn't it?</p> <p>23 A. It was completely contradictory, yeah, and</p> <p>24 inconsistent.</p> <p>25 Q. Okay. Now, Exhibit 18 that Ms. Taylor</p>
<p style="text-align: right;">Page 167</p> <p>1 Q. And in that e-mail does Ms. Gentry talk to</p> <p>2 you about going over the budget that y'all had</p> <p>3 initially --</p> <p>4 (Brief interruption.)</p> <p>5 BY MS. PERKY:</p> <p>6 Q. So this August 2014 e-mail, does that have</p> <p>7 in there where Ms. Gentry talks to you about going over</p> <p>8 the budget?</p> <p>9 A. Yes, it is. She says in the e-mail that</p> <p>10 it's totally understandable that my budget was exceeded</p> <p>11 some time back.</p> <p>12 Q. And why does she say it was totally</p> <p>13 understandable?</p> <p>14 A. I had gone in -- I had mentioned to the</p> <p>15 Court earlier, I had gone in and was taking over all of</p> <p>16 the shipping for about a four-month period. It saved</p> <p>17 the company \$10,000 in wages, plus I identified savings</p> <p>18 opportunities of over \$50,000.</p> <p>19 So my meal spending, going to lunch every</p> <p>20 day, was more than offset by the cost savings and by</p> <p>21 the potential cost savings down the road.</p> <p>22 Q. Does Ms. Gentry also talk in that e-mail</p> <p>23 about taking her kids out to dinner to celebrate</p> <p>24 something or other, and that she wants to use the</p> <p>25 company credit card to do that?</p>	<p style="text-align: right;">Page 169</p> <p>1 entered was this e-mail with an insurance agent where</p> <p>2 you talk about whether or not coverage would apply in</p> <p>3 the event of somebody drinking while driving a company</p> <p>4 vehicle; correct?</p> <p>5 A. Yes.</p> <p>6 Q. Was that e-mail sent after Ms. Gentry took</p> <p>7 away your car?</p> <p>8 A. Yes, it was.</p> <p>9 Q. Lastly, Mr. Gentry, you talk about this --</p> <p>10 Ms. Taylor asked you some questions about an e-mail you</p> <p>11 sent and you're talking about transitioning out of the</p> <p>12 business; correct?</p> <p>13 A. Yes.</p> <p>14 Q. And in your response -- I mean, in that</p> <p>15 e-mail, you weren't saying that you're not an owner,</p> <p>16 were you?</p> <p>17 A. No.</p> <p>18 Q. And you weren't saying that you shouldn't</p> <p>19 receive your fair share of the business, were you?</p> <p>20 A. No. I wasn't saying that at all.</p> <p>21 MS. PERKY: Okay. Thank you, Your</p> <p>22 Honor.</p> <p>23 THE COURT: Do you want to make this</p> <p>24 last e-mail an exhibit?</p> <p>25 MS. PERKY: Yes, please, Your Honor.</p>

<p style="text-align: right;">Page 170</p> <p>1 THE COURT: All right. It will be 2 No. 22. 3 (Marked Exhibit 22.) 4 THE COURT: Any recross, Ms. Taylor? 5 MS. TAYLOR: Just a few, Your Honor. 6 I'll be brief. 7 8 RECROSS-EXAMINATION 9 BY MS. TAYLOR: 10 Q. Mr. Gentry, how many rTsumTs have you sent 11 out since April of 2014, when the divorce started, 12 looking for work as a CPA? 13 MS. PERKY: Objection, Your Honor. I 14 think that this is outside of her cross. 15 THE COURT: It is. But I'm going to 16 tell you, if she didn't ask, I was. 17 MS. PERKY: Okay. 18 THE COURT: So go ahead. 19 MS. TAYLOR: Pardon? 20 THE COURT: I was going to ask it if 21 you didn't. Go ahead. 22 THE WITNESS: I haven't sent out any. 23 I'm working on eStart. And I'm expecting that as an 24 owner of Sweet Wise, I should be compensated for it. 25 ///</p>	<p style="text-align: right;">Page 172</p> <p>1 And it was very painstaking because it had been 2 canceled, and so I couldn't get a decent policy. I had 3 to take one that's -- it's not that expensive, but it 4 has very minimal benefits. 5 Q. In fact, you didn't even have insurance 6 until the end of 2013, because you said you didn't want 7 health insurance? 8 MS. PERKY: Objection as to relevance, 9 Your Honor. 10 MS. TAYLOR: It is relevant, Your 11 Honor. He's complaining he had to reapply, when he 12 never had it. The only time he had it were the six 13 months Ms. Gentry had him get it. 14 THE COURT: All right. Let me ask 15 this question. Do you have health insurance now? 16 THE WITNESS: Yes, sir, I do. 17 THE COURT: When you had health 18 insurance through -- was your health insurance through 19 the company before -- 20 THE WITNESS: Yes, sir. 21 THE COURT: -- the divorce? 22 Who's paying it now? 23 THE WITNESS: The company is 24 reimbursing me now. 25 THE COURT: Okay. All right.</p>
<p style="text-align: right;">Page 171</p> <p>1 BY MS. TAYLOR: 2 Q. And with eStart, you have been telling 3 people you are not going to launch it until after this 4 divorce is final? 5 MS. PERKY: Objection. Asked and 6 answered, Your Honor. We've already talked about this. 7 THE COURT: Sustained. We had several 8 questions on that earlier. 9 BY MS. TAYLOR: 10 Q. So you haven't tried to find any work as a 11 CPA? 12 A. Pardon me? 13 Q. No work that you've tried to find as a CPA? 14 MS. PERKY: Asked and answered, Your 15 Honor. We've already talked about his efforts to 16 find other employment. He says he's been -- 17 THE COURT: Hang on. 18 I think your answer is you haven't 19 applied anywhere to be employed as a CPA, have you? 20 THE WITNESS: I've not sought 21 employment anywhere. 22 BY MS. TAYLOR: 23 Q. After your health insurance was canceled, 24 Ms. Gentry immediately had it reinstated; correct? 25 A. No. I had to go through and apply for it.</p>	<p style="text-align: right;">Page 173</p> <p>1 MS. TAYLOR: Your Honor, so we'll make 2 sure we understand, it was a personal health insurance 3 the company paid, the company didn't provide it. 4 THE COURT: No, I understood as much. 5 BY MS. TAYLOR: 6 Q. And you -- if the personal spending with 7 the business money is contradictory, as you say, then 8 the tax returns you filed on the business showing those 9 expenses as business expenses are incorrect? 10 A. I stand behind the tax returns that I 11 prepared as being correct. So if you're asking me are 12 they not correct, I would say they are correct. 13 Q. Even though there are personal expenses on 14 there not included as income? 15 A. Well, it's very easy to say -- you know, if 16 I go into the store and I buy myself lunch -- I usually 17 work from home -- but I'm in the store, it's overtime, 18 it's a de minimis fringe benefit. 19 Q. Now, going back to the return of the car, 20 Ms. Gentry told you she wanted you to return the car on 21 or about October the 2nd; correct? 22 A. What was your question again? 23 Q. On the return of the business car, 24 Ms. Gentry told you on or about October 2nd she wanted 25 you to return it?</p>

1 A. I believe it was October 6th. But yes.
 2 Q. Okay. And then you made the inquiry about
 3 the insurance coverage, about drinking while driving?
 4 A. Then I made an inquiry if there was any
 5 risk to the company.
 6 Q. And then it was not until after the --
 7 A. It wasn't about drinking and driving,
 8 because I don't drink and drive, in the sense that when
 9 you say drinking and driving, most people interpret
 10 that as saying you're driving under the influence or
 11 intoxicated. I don't do that.
 12 Q. But you do drive fast?
 13 A. I do drive fast.
 14 Q. Now, you did not turn the car back in until
 15 after the response from the insurance company?
 16 A. Kathy e-mailed me, I think it was
 17 October 6th. It was on a weekend. It was a Sunday
 18 morning, as a matter of fact. And she said, I want you
 19 to return the car because you're putting the company at
 20 risk.
 21 I wrote her and said, I think you're
 22 violating the status quo. You're doing this just to be
 23 mean, taking my car away from me.
 24 And she said in her e-mail that she wanted
 25 it returned to her, like, on the next Wednesday or

1 something. And I said, Okay, I'll return it to you
 2 Wednesday.
 3 MS. TAYLOR: Your Honor, I submit to
 4 the Court the answer to my question is, yes, he
 5 returned the car after the e-mail.
 6 THE WITNESS: Oh.
 7 MS. TAYLOR: His prior testimony was
 8 that he -- he sent the e-mail after she told -- after
 9 he returned the car.
 10 THE WITNESS: I apologize if I
 11 misunderstood. Was your question did I e-mail the
 12 insurance agent after or before the car was taken?
 13 BY MS. TAYLOR:
 14 Q. Correct.
 15 A. I e-mailed the insurance agent after my car
 16 was taken.
 17 Q. And, in fact, Mr. Gentry, your car -- you
 18 did not return it until a day or two after the
 19 insurance company letter?
 20 A. I returned it when Kathy instructed me to
 21 return it.
 22 MS. TAYLOR: I have no further
 23 questions, Your Honor.
 24 THE COURT: Ms. Perky? All right.
 25 Mr. Gentry, do you have a mortgage?

1 THE WITNESS: Pardon me?
 2 THE COURT: Do you have a mortgage?
 3 THE WITNESS: Yes, sir. I'm a month
 4 late on the mortgage right now.
 5 THE COURT: All right. Do you have
 6 utilities other than the cell phone bill and the cable
 7 bill? I assume you have electric and water and --
 8 THE WITNESS: Yes, sir.
 9 THE COURT: All right. I'm not going
 10 to prolong his testimony, because we're going to need
 11 to get out of here. But you're going to need to file a
 12 late-filed exhibit with his living expenses.
 13 I understand what you've put in here,
 14 but I need to know what his living expenses are. So I
 15 need to know things like, you know, what his health
 16 insurance cost is, what his mortgage is, what his -- I
 17 mean, there's a lot of eating out. Does he have a
 18 grocery bill? Utilities bills. Just the cost of
 19 living. He's got his car payment in here and some of
 20 the utilities, but I'm going to need the rest of that.
 21 All right. Mr. Gentry, you can step
 22 down.
 23 MS. TAYLOR: Your Honor, I have a
 24 question about the timing on the rest of this hearing.
 25 THE COURT: Mm-hmm.

1 MS. TAYLOR: I understand we have two
 2 witnesses who are here, and that we may, with the
 3 Court's indulgence, hear from them.
 4 As far as continuing with Ms. Gentry's
 5 testimony, I just -- I mean, the direct and cross could
 6 go on, if it's like Mr. Gentry's, another few hours. I
 7 have an early-morning appointment and I need to be out
 8 of here.
 9 THE COURT: I've got a jury trial
 10 tomorrow. So we're starting to -- I think we're all
 11 starting to get some diminishing returns here.
 12 Here's the concern I have. I don't
 13 have any testimony from her on her ability to pay. I'm
 14 going to need some testimony from her.
 15 As I think I suspected at the very
 16 beginning, this issue of the ownership interest in the
 17 business, whether he's going to be allowed to run it,
 18 because there's some sort of implied partnership or
 19 whether there's not, that's awfully fact-intensive, and
 20 I don't think there's any way I'm going to get to that
 21 today.
 22 I'm going to address the issue of
 23 temporary support today. I can't make a ruling because
 24 I don't have everything I need from him. But I need
 25 her ability to pay, and I don't think I -- I don't know

that I have that yet.

So why don't we put her on for the limited purpose of getting some testimony with respect to her ability to pay. And then we can reschedule, if we need to; okay?

MS. TAYLOR: Your Honor, what about the two witnesses? Wait on those?

THE COURT: I mean, they're going to testify as to who's running the business, aren't they, Ms. Perky?

MS. TAYLOR: Yes.

THE COURT: They're going to testify about who's running the business?

MS. TAYLOR: I think the parties can testify as to that.

MS. PERKY: Your Honor, the only concern that I have is the gentleman who works at Sweet Wise was flown here from Europe in order to be here today.

THE COURT: Okay.

MS. PERKY: His testimony, from my perspective, is very short. But it is, Your Honor -- I do need to clarify to the Court that it is limited to not really the financial aspects, other than, you know, I believe his testimony will be consistent with

the Gentrys' involvement in the business. That's what we're going to do today. And then, obviously, you'll be able to question him. You'll be able to cross-examine him. I'm not interested in personal bill paying.

And then after that, we're going to hear from Ms. Gentry on her ability to pay. And we're going to have to -- I'm going to want to hear from her on her position on THE MAT, her position on her role in the business. But I can't -- we can't do that tonight.

MS. TAYLOR: My client is more than prepared to testify about all of that and wants to have the whole story heard by the Court.

THE COURT: Well, that sort of runs counter to you wanting to get out of here quickly.

MS. TAYLOR: Well, wanting to run to get out and wanting my client to tell the whole story are not counterintuitive when I believe that we have been going with Mr. Gentry, what, since about 3 o'clock or --

THE COURT: 4:00, but yes.

MS. TAYLOR: -- 3:00 or 4:00, so we're three hours into it. I want her to be able to have the same opportunity --

THE COURT: So what you're saying is

Mr. Gentry's, that they did pay personal expenses out of the business, but it does have primarily to do with who did what.

THE COURT: I'm not interested in his opinion on how they paid what. I am interested in his opinion with respect to what Mr. and Ms. Gentry's relative roles were in the day-to-day operation of the business based upon on whatever knowledge he has.

MS. PERKY: Right. And he will testify to that.

THE COURT: All right. Let's limit his testimony to that.

What about the other witness?

MS. PERKY: I believe that that's Ms. Gentry's witness.

THE COURT: Okay. Since he's flown in -- does he fly in regularly?

MS. TAYLOR: Yes, Your Honor, he does. He's actually been visiting friends in Washington, D.C., before he came down here. So this is --

MS. PERKY: Your Honor, my client says he comes once or twice a year. We had to pay for him to be here, and he doesn't have any money.

THE COURT: All right. Well, look, I'm going to limit his testimony to his observations of

you want to make sure she has a full opportunity.

MS. TAYLOR: Of course.

THE COURT: And I agree. I'm going to reserve -- I'm going to rule on temporary support today.

You pled in the alternative. So it may be that I rule on -- well, I say rule on temporary support. I'm going to take all the proof on temporary support today. It may be after we have another hearing where she does have an opportunity to fully testify that we convert that to something else.

But for today's purpose, let's have our witness and let's have Ms. Gentry on her ability to pay. And I'll make a ruling after I get Mr. Gentry's information.

MS. TAYLOR: Your Honor, I will certainly respect where you are. But if we have a ruling today on her paying temporary support and she's -- if she is ordered to pay support, we don't have a full income and expense statement for Mr. Gentry --

THE COURT: Oh, I'm not going to rule today. I've still got to get his expense statement.

MS. TAYLOR: As long as I have a chance to cross-examine it and we don't have a ruling

<p style="text-align: right;">Page 182</p> <p>1 today.</p> <p>2 THE COURT: Yeah. I'm going to let</p> <p>3 him submit his expense statement. You know, here's the</p> <p>4 thing. On temporary support, it's just that. It's</p> <p>5 temporary. I think there might have been some</p> <p>6 testimony about a mortgage payment already. I sort of</p> <p>7 know what utility bills look like. And they eat out a</p> <p>8 lot. So I've got a pretty good idea.</p> <p>9 I'm going to make a ruling after he</p> <p>10 submits an expense statement. If you want to file an</p> <p>11 objection to it, I'm going to let you. But I'm going</p> <p>12 to get something in place, depending on what her</p> <p>13 ability to pay is.</p> <p>14 MS. PERKY: Your Honor, we actually</p> <p>15 have an income and expense statement. I'm sorry. My</p> <p>16 client just gave it to me.</p> <p>17 THE COURT: All right. Let's do this.</p> <p>18 Let's get your witness in here and let's go ahead and</p> <p>19 hear that testimony. And then let's hear from</p> <p>20 Ms. Gentry on what her expenses are, and what her</p> <p>21 income is.</p> <p>22 And then I'll make a ruling at some</p> <p>23 point. Not this evening; okay?</p> <p>24 And I'll let you give that to</p> <p>25 Ms. Taylor.</p>	<p style="text-align: right;">Page 184</p> <p>1 College in Skopje, Macedonia.</p> <p>2 THE COURT: Spell "Skopje."</p> <p>3 THE WITNESS: S-K-O-P-J-E.</p> <p>4 THE COURT: Spell your first and last</p> <p>5 name.</p> <p>6 THE WITNESS: D-A-N-C-H-O, first name.</p> <p>7 Second name, G-J-O-R-G-J-I-J-E-V-S-K-I.</p> <p>8 THE COURT: All right.</p> <p>9 BY MS. PERKY:</p> <p>10 Q. And, please, if you can try to speak</p> <p>11 slowly, that would be helpful to us.</p> <p>12 A. Okay.</p> <p>13 Q. Now, what are your responsibilities -- how</p> <p>14 long have you been employed at Sweet Wise?</p> <p>15 A. This July, six years.</p> <p>16 Q. And what are your general responsibilities,</p> <p>17 just briefly?</p> <p>18 A. Purchasing, digital marketing, pricing,</p> <p>19 coordination about IT and Web design, general strategy,</p> <p>20 operations.</p> <p>21 Q. Is there any other employee, in your</p> <p>22 opinion, who knows more about the business other than</p> <p>23 Mr. and Ms. Gentry?</p> <p>24 A. Not that I -- I -- I don't know.</p> <p>25 Q. You don't know. Okay.</p>
<p style="text-align: right;">Page 183</p> <p>1 I'll let you respond to it either</p> <p>2 before we leave tonight or in writing later, if you</p> <p>3 want to.</p> <p>4 Come on up here, sir. Stand in front</p> <p>5 of the witness chair there.</p> <p>6 (Witness was sworn.)</p> <p>7</p> <p>8 DANCHE GJORGJIEVSKI,</p> <p>9 was called as a witness, and having been duly sworn, was</p> <p>10 examined and testified as follow:</p> <p>11</p> <p>12 DIRECT EXAMINATION</p> <p>13 BY MS. PERKY:</p> <p>14 Q. Will you please state your name for the</p> <p>15 Court.</p> <p>16 A. My name is Dancho Gjorgjievski.</p> <p>17 Q. And where are you employed?</p> <p>18 A. Sweet Wise, Inc., and University American</p> <p>19 College in Skopje.</p> <p>20 THE COURT: All right. Let's stop.</p> <p>21 COURT REPORTER: American University</p> <p>22 College in?</p> <p>23 THE WITNESS: Skopje, Macedonia.</p> <p>24 COURT REPORTER: I'm sorry?</p> <p>25 THE WITNESS: University American</p>	<p style="text-align: right;">Page 185</p> <p>1 Now, are you familiar with Mr. Gentry's</p> <p>2 responsibilities when he worked at Sweet Wise?</p> <p>3 A. Yes, I am.</p> <p>4 Q. And what were those activities?</p> <p>5 A. Overlooking and controlling the operation</p> <p>6 of the business, in every stage of it, all the</p> <p>7 purchasing, and accounting, finance reporting, general</p> <p>8 decision about strategy and operation of the business,</p> <p>9 shipping, new systems, new product lines, general --</p> <p>10 everything connected with the operations.</p> <p>11 Q. And who provided -- I'm sorry. What did</p> <p>12 you say?</p> <p>13 A. And finance.</p> <p>14 Q. And who provided your training and</p> <p>15 supervision?</p> <p>16 A. The most part, John did.</p> <p>17 Q. And how many hours per week did Mr. Gentry</p> <p>18 work?</p> <p>19 A. Fifty, 60. A lot.</p> <p>20 Q. Now, are you -- do you have knowledge about</p> <p>21 Ms. Gentry's responsibilities at Sweet Wise prior to</p> <p>22 Mr. Gentry leaving the business?</p> <p>23 A. Until April 2014, mostly Kathy Gentry's</p> <p>24 what we call the face of the company, our person</p> <p>25 responsible about making videos, promoting new product</p>

<p style="text-align: right;">Page 186</p> <p>1 lines or existing product lines. After April 2014, she 2 was getting more involved in the operations and the 3 general things of the business finances and . . . 4 Q. So there was a change in her -- a 5 significant change in her involvement from April of 6 2014 through the present, you know, from the time she 7 filed for divorce until the present? 8 A. Yes. Not so in the beginning. Most of the 9 changes come later in the summer. She's thinking more 10 about operations and financing. 11 Q. So how many hours would you estimate she 12 was working before April of 2014? 13 A. It's tough to judge that, because I was not 14 connected so much about what she was doing. I cannot 15 tell how much it takes to prepare for the video and the 16 film -- the filming, I think, is not a lot, but just 17 prepare for that. I cannot tell for sure. Maybe -- I 18 don't know. I will not have a number. 19 Q. Okay. Who would you say has been primarily 20 responsible for the growth and success of Sweet Wise? 21 A. Probably John Gentry. 22 Q. Did you ever hear Ms. Gentry talk about 23 Mr. Gentry being a co-owner of Sweet Wise? 24 A. Yes. 25 Q. Okay. Tell the Court about what -- about</p>	<p style="text-align: right;">Page 188</p> <p>1 April 2014, did her attitude towards Mr. Gentry change 2 in the workplace? 3 A. Both of their attitudes changed toward each 4 other. She was trying to take some of the 5 responsible -- responsibility that he was having and 6 have more control on the business than before, if you 7 translate that as a change of behavior. 8 Q. Are you aware of whether or not Ms. Gentry 9 instructed the employees at the company to contact the 10 police in the event that they saw Mr. Gentry on the 11 property? 12 MS. TAYLOR: Objection, Your Honor. 13 THE COURT: Hang on Mr. -- may I call 14 you Dancho? 15 THE WITNESS: Yes, sir. 16 THE COURT: Because I can't pronounce 17 your name. 18 MS. TAYLOR: Objection, Your Honor. 19 He's not here. He's in Europe. He's not going to know 20 what the employees in the local store were told. 21 MS. PERKY: I can lay a foundation, 22 Your Honor, if you would like. 23 THE COURT: All right. Well, I think 24 you're going to need to. 25 And then I'm going to let her ask,</p>
<p style="text-align: right;">Page 187</p> <p>1 the times that you heard her say that. 2 A. I cannot remember the exact date. I think 3 it was like 15th of May or something. Mr. Gentry 4 called me on the phone and telling me that I'll be 5 getting 5 percent of the company, and John Gentry will 6 get 45 percent of the company, and Kathy will get 7 50 percent of the company. 8 Also, we went to a party -- a dinner. John 9 was telling Kathy that he wants to give -- give me 10 15 percent of the company. And Kathy said, You can do 11 whatever you want with half of the company, your half 12 of the company. 13 That's something that I can remember 14 clearly. 15 Q. So is your general understanding as an 16 employee that the company was owned by both Mr. and 17 Ms. Gentry? 18 A. Yes. 19 Q. Are you aware of how Mr. and Ms. Gentry's 20 compensation was determined? 21 A. Yes, I am. 22 Q. And who determined their compensation? 23 A. I think it was mutual agreement, but John 24 was the one that drew the numbers. 25 Q. Now, after Ms. Gentry filed for divorce in</p>	<p style="text-align: right;">Page 189</p> <p>1 with the proper foundation, and then I would imagine 2 you'll have some cross-examination questions on that 3 issue. 4 BY MS. PERKY: 5 Q. Were you copied on any e-mail that 6 Ms. Gentry sent to the employees talking about to call 7 the police in the event that they saw Mr. Gentry on the 8 property? 9 A. Yes, I was. 10 Q. And what did the e-mail say? 11 A. That effective from today, John Gentry is 12 no longer an employee at Sweet Wise, and if he's trying 13 to come -- walk in the store -- I don't know the exact 14 words, just, you know, if you cannot handle it with him 15 peacefully, tell him to leave, call the police. 16 Something like that. 17 Q. And she copied this e-mail -- she copied 18 all the employees on this e-mail; correct? 19 A. I cannot tell for sure. I was part of it. 20 Q. Did Ms. Gentry change the locks to Sweet 21 Wise? 22 A. I was in another part of the world. I 23 guess she did, but I cannot know for sure. I wasn't 24 there. 25 Q. Okay.</p>

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1 A. So I guess she did.
 2 Q. Now, in the event that the Court orders
 3 either Mr. Gentry or Ms. Gentry to run Sweet Wise by
 4 themselves without the other person, are you
 5 comfortable being a point of contact for the parties,
 6 whoever's not running Sweet Wise, to keep them apprised
 7 of the business ongoing?
 8 A. If that's a Court decision and applies to
 9 the general policy of the company, that would be -- I
 10 would do it, but not just personally.
 11 Q. Right. I understand you're in a little bit
 12 of an uncomfortable position right now.
 13 MS. PERKY: That's all, Your Honor. I
 14 pass the witness.
 15 THE COURT: All right. Ms. Taylor.
 16
 17 CROSS-EXAMINATION
 18 BY MS. TAYLOR:
 19 Q. May I also call you Dancho?
 20 A. Of course.
 21 Q. With regard to Ms. Gentry's duties at the
 22 business, are you also aware of the fact she was the
 23 one who handled the company newsletters?
 24 A. Me and her were working on that. She was
 25 the final one that makes the approvals and the final

1 Q. When you go onto the Sweet Wise Web site,
 2 it's Ms. Gentry's likeness, and the character is
 3 modeled exactly after her; correct?
 4 A. Yes. As I said, the face of the company.
 5 The character that we use is made for her. All the
 6 videos -- or 99 percent of the videos are her.
 7 Q. She had the background on the cake and the
 8 candy decorating, and she was the one who was very
 9 involved with all of the product choices that were
 10 sold?
 11 A. Both of them were. She made probably the
 12 final decision about product. Her -- her knowledge was
 13 taken always as the final -- final one.
 14 Q. Now, Dancho, when you were talking about
 15 this information you found out when Ms. Gentry told the
 16 employees that Mr. Gentry was not to be on the
 17 property, that was in December of 2014; correct?
 18 A. Correct.
 19 Q. You -- what was it that happened with the
 20 accounts that caused Ms. Gentry to tell you that?
 21 MS. PERKY: Your Honor, I would
 22 object. I think she's getting into the issue that you
 23 just told counsel not to get into. I didn't get into
 24 it because that was the Court's instruction.
 25 THE COURT: All right. Tell me what

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1 say.
 2 Q. Okay. She also handled the training of the
 3 staff, the instructors, the teachers who were doing
 4 some of the classes; correct?
 5 A. Correct. I apologize I didn't mention that
 6 before. So classes, how they teach it, deciding on --
 7 if I can add to her questions. So Kathy Gentry's
 8 training of staff and classes, creating classes that we
 9 sold, teaching some of them when needed. She helped
 10 the store when short-staffed, and also did control
 11 about making final decisions with John regarding major
 12 strategic moves and other more general stuff in the
 13 company, not that much on a daily operation, more in a
 14 general strategy.
 15 Q. In fact, the procedure was that no major
 16 decisions were finalized and implemented without
 17 Ms. Gentry being a part of it?
 18 A. Correct. Mr. Gentry always insists on an
 19 opinion from Kathy Gentry.
 20 Q. Ms. Gentry also did all of the -- the
 21 shooting of the videos that are a very important part
 22 of the Web site; right?
 23 A. As I said, Kathy was the face of the
 24 company and the person that Sweet Wise would mostly
 25 recognize.

1 you're -- where are we going with this, Ms. Taylor?
 2 MS. TAYLOR: Your Honor, Mr. Dancho is
 3 the one who knew that the company Google account had
 4 been accessed and the funds diverted by Mr. Gentry to
 5 his account. And he told Ms. Gentry about it. Which
 6 would certainly come out in her testimony, but that --
 7 THE COURT: Are you trying to get at
 8 he went to her to tell her about it because he viewed
 9 her as a key decision-maker in the company? Is that
 10 what you're trying to get at?
 11 MS. TAYLOR: I'm viewing it that they
 12 brought up Ms. Gentry saying the police were to be
 13 called, and he knows why.
 14 THE COURT: Okay. I've got ya.
 15 MS. TAYLOR: They brought it up.
 16 THE COURT: All right. Go ahead.
 17 THE WITNESS: Tell the Google stuff --
 18 BY MS. TAYLOR:
 19 Q. Yes.
 20 A. -- you're asking me?
 21 Q. Yes.
 22 A. First, the Google account, together with
 23 the -- with the YouTube account, was compromised in a
 24 way from John Gentry. He took the AdSense so we
 25 couldn't access. And due to AdSense -- we make money

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<p>1 out of AdSense. We couldn't have access to that.</p> <p>2 THE COURT: Are you saying ad sales?</p> <p>3 THE WITNESS: AdSense. It's a part of</p> <p>4 Google that you make -- that Google pays you.</p> <p>5 THE COURT: Oh, okay.</p> <p>6 MS. TAYLOR: Advertising services.</p> <p>7 THE WITNESS: Advertising.</p> <p>8 THE COURT: Yeah. I knew he was</p> <p>9 saying "ad." I couldn't tell what the second word was.</p> <p>10 THE WITNESS: So when we -- when I was</p> <p>11 able to go back into the account, Mr. Gentry's personal</p> <p>12 account was connected with Google, with AdSense. But</p> <p>13 no funds were transferred because no verification was</p> <p>14 done.</p> <p>15 BY MS. TAYLOR:</p> <p>16 Q. But he had tried to send them to his</p> <p>17 personal account?</p> <p>18 A. It was set up like that.</p> <p>19 Q. And also, Mr. Dancho, Mr. Gentry tried to</p> <p>20 get you to quit the business, did he not?</p> <p>21 A. He said it's a last step -- if not -- if</p> <p>22 the things doesn't go as he thinks that's supposed to</p> <p>23 go, that the solution would be if I quit the company</p> <p>24 together with him, and Kathy will be forced to --</p> <p>25 because between me and him run most of the operations,</p>	<p>1 Q. And he wanted you to quit the business if</p> <p>2 Ms. Gentry would not give him what he was asking for?</p> <p>3 A. It was more in the line that if things go</p> <p>4 to that point, that, you know, that's something that</p> <p>5 maybe we should do, so we make sure that the company</p> <p>6 stays in -- until a solution is final.</p> <p>7 MS. TAYLOR: I have no further</p> <p>8 questions, Your Honor.</p> <p>9 THE COURT: Okay. Thank you,</p> <p>10 Ms. Taylor.</p> <p>11 Ms. Perky, do you have any redirect?</p> <p>12 MS. PERKY: Yes, Your Honor, just a</p> <p>13 few short questions.</p> <p>14 THE COURT: All right.</p> <p>15</p> <p>16 REDIRECT EXAMINATION</p> <p>17 BY MS. PERKY:</p> <p>18 Q. Mr. Dancho, isn't it true that in these</p> <p>19 conversations that Ms. Taylor characterized as quitting</p> <p>20 the business in the event that Ms. Gentry didn't give</p> <p>21 Mr. Gentry what he wanted, wasn't it not that he said</p> <p>22 let's quit the business, he said let's go on strike?</p> <p>23 A. Yes. Yes. The one time he said go on</p> <p>24 strike. The other time he said, you know, for me to</p> <p>25 quit and then he will do my job and, you know, prove</p>
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<p>1 so it will be forced in a way that Kathy will have to</p> <p>2 give what he was asking for or find a middle ground.</p> <p>3 Q. The business would not run well without the</p> <p>4 Google and the YouTube accounts, would it?</p> <p>5 A. They're a significant part of the company.</p> <p>6 Not the business would fold, but YouTube is one of the</p> <p>7 major marketing channels, but it's affecting -- it's</p> <p>8 important. But I don't want to say like that the</p> <p>9 business would fall down, but it is an important part</p> <p>10 of the business.</p> <p>11 Q. And you have told Ms. Gentry that you and</p> <p>12 Ms. Gentry can run the business without Mr. Gentry,</p> <p>13 have you not?</p> <p>14 A. When she asked me -- and this was also a</p> <p>15 request for John. If something happens, that I'll stay</p> <p>16 in the business and run the business together with</p> <p>17 Kathy. And I said, you know, we'll give our best and</p> <p>18 that we'll succeed in doing that.</p> <p>19 Q. When Mr. Gentry wanted you to quit the</p> <p>20 business, that was in December of 2014; right?</p> <p>21 A. I think the conversation we had on the</p> <p>22 phone was in September or October. I would say it was</p> <p>23 September.</p> <p>24 Q. Okay.</p> <p>25 A. Earlier.</p>	<p>1 Kathy that he can do the job, and get me back then.</p> <p>2 Q. Okay. But my question was did y'all use</p> <p>3 the words "quit the business" or did you use the words</p> <p>4 "go on strike"?</p> <p>5 MS. TAYLOR: Your Honor, asked and</p> <p>6 answered. He just said he used the word "strike" and</p> <p>7 used the word "quit."</p> <p>8 THE COURT: All right. I'm going to</p> <p>9 let her ask it, simply because English isn't his first</p> <p>10 language.</p> <p>11 THE WITNESS: Sorry.</p> <p>12 THE COURT: She's asking you a very</p> <p>13 specific question; all right?</p> <p>14 THE WITNESS: Okay. So the one time,</p> <p>15 he said we should go on strike, both of us, and try to</p> <p>16 convince the other person who works with us, Paveo, the</p> <p>17 accountant, to join us so Kathy will not have choice.</p> <p>18 The other time, he said I need to quit</p> <p>19 the job. He will do my job, to prove Kathy that he's</p> <p>20 capable of doing all the jobs. And as soon as Kathy</p> <p>21 awards him the part that he is asking for, he will hire</p> <p>22 me back.</p> <p>23 THE COURT: All right.</p> <p>24 BY MS. TAYLOR:</p> <p>25 Q. And you talked about this Google account</p>

1 that was compromised. How long was it compromised?
 2 A. A day. I -- 24 hours. I cannot have the
 3 right answer. Kathy called Google or something. They
 4 traced back who was the original owner of Sweet Wise or
 5 something.
 6 Q. So a day or less?
 7 A. Something like that. I don't know.
 8 MS. PERKY: Okay. That's all I have.
 9 THE COURT: Anything further,
 10 Ms. Taylor?
 11 MS. TAYLOR: No, Your Honor.
 12 THE COURT: All right. Thank you,
 13 sir. Be careful stepping down. Thank you for being
 14 patient and waiting today.
 15 MS. TAYLOR: Your Honor, may I release
 16 the other witness?
 17 THE COURT: You may. You may.
 18 All right. That concludes what we're
 19 going to hear today from Mr. Gentry; is that correct?
 20 MS. PERKY: Yes, Your Honor.
 21 THE COURT: All right. So I'll let
 22 you decide, Ms. Taylor -- well, we're going to hear
 23 from Ms. Gentry now, aren't we?
 24 MS. TAYLOR: Yes, Your Honor. You
 25 want to hear from her on the issue of the --

1 KATHERINE WISE GENTRY,
 2 was called as a witness, and having been duly sworn,
 3 was examined and testified as follows:
 4
 5 DIRECT EXAMINATION
 6 BY MS. TAYLOR:
 7 Q. Ms. Gentry, would you please state your
 8 full name for the record.
 9 A. Katherine Wise Gentry.
 10 Q. You are listed as the owner of Sweet Wise;
 11 correct?
 12 A. Yes.
 13 Q. And what income do you receive per month
 14 from Sweet Wise?
 15 A. Per month? Currently it is 6,000 a month.
 16 We get paid weekly. It's 1500 a week before taxes.
 17 Q. So that would be a yearly salary of 72,000?
 18 A. Seventy-eight.
 19 Q. Seventy-eight.
 20 MS. TAYLOR: Sorry, Your Honor.
 21 THE COURT: That's all right.
 22 BY MS. TAYLOR:
 23 Q. And was Mr. Gentry receiving a similar
 24 income in 2014 when he was employed there?
 25 A. Yes.

1 THE COURT: Yeah. If she wants to
 2 testify about his Exhibit No. 7, or -- I want to be
 3 mindful, because it's 7:30. But I need some
 4 information on what the parties were taking out of the
 5 company, what reserve she has to make these payments,
 6 that sort of thing.
 7 MS. PERKY: And, Your Honor, I had
 8 provided the income and expense statement to
 9 Ms. Taylor. I don't know if Your Honor wants to enter
 10 that as an exhibit.
 11 THE COURT: Well, I'm going to have to
 12 take a look at it at some point.
 13 Go ahead and swear her in.
 14 (Witness was sworn.)
 15 MS. TAYLOR: Your Honor, I may need
 16 another copy of Exhibit 7. I don't know that
 17 Ms. Gentry has a copy.
 18 THE COURT: All right. I'll let you
 19 refer to this. Just remember to give it back to me.
 20 MS. TAYLOR: Thank you, Your Honor.
 21 THE COURT: I had to last week pull
 22 the camera to see who walked out with one of my
 23 exhibits. It worked. We found them.
 24 ///
 25 ///

1 Q. And you have looked -- you have Exhibit 7
 2 in front of you; correct?
 3 A. Yes.
 4 Q. Were there certain expenses as shown by
 5 Mr. Gentry that were paid for by the business?
 6 A. Yes.
 7 Q. And this was paid for his work in the
 8 business; correct?
 9 A. Yes.
 10 THE COURT: Ms. Taylor, will you pull
 11 that microphone down just a little bit, the one on your
 12 lectern there.
 13 MS. TAYLOR: Is this one working?
 14 THE COURT: Yes.
 15 MS. TAYLOR: Oh, I'm sorry.
 16 THE COURT: I think it might help.
 17 BY MS. TAYLOR:
 18 Q. Okay. Now, on this Exhibit 7, Ms. Gentry,
 19 where it had the home, cable, and Internet, was that
 20 for doing company work at home?
 21 A. Yes.
 22 Q. Mr. Gentry is no longer doing that, is he?
 23 A. Correct.
 24 Q. And that was when you-all were living in
 25 the same house and you both used the company Internet

1 from home?
 2 A. Yes.
 3 Q. The health insurance we've had an issue
 4 about. You did -- it was canceled; correct?
 5 A. It was never canceled.
 6 Q. Through no fault of your own, did it not
 7 get paid one month? Or tell the Court what happened on
 8 the health insurance.
 9 A. Okay. BlueCross BlueShield -- we had paid
 10 by check, as we had always done, the health insurance
 11 to BlueCross BlueShield, and they returned it saying
 12 they didn't know what account to apply it to.
 13 I immediately sent an e-mail to Dancho, who
 14 basically prepares our accounts payable and then I sign
 15 the checks. I authorize them and sign the checks. So
 16 I immediately sent him an e-mail saying, Hey, we need
 17 to make sure this gets paid.
 18 And immediately, like I think within that
 19 day or the next day, we wrote another check to make
 20 sure that they had all the information to know where to
 21 apply it. But by the time that they received it, it
 22 had passed the time period where they would accept it
 23 and canceled the policy.
 24 I again, once we got that notification, I
 25 again immediately notified Mr. Gentry and let him know

1 have one copy. Let me see if I can -- I'm sorry, Your
 2 Honor. Here it is. I had turned it upside down.
 3 THE COURT: Okay.
 4 MS. TAYLOR: I thought I had made
 5 enough.
 6 THE COURT: All right. This is what
 7 we're going to do. We're not going to sit here and
 8 cross-examine each other over these things we've had at
 9 the last minute.
 10 Let me do this. Ms. Gentry, have you
 11 replaced Mr. Gentry? Has his position been filled at
 12 Sweet Wise?
 13 THE WITNESS: He has not been
 14 replaced. We've actually found that between Dancho and
 15 I that we're able to handle the duties that he had.
 16 THE COURT: All right. And do you
 17 have -- look at number -- let me see. Were you shown
 18 the exhibit which showed the proceeds from the sale of
 19 THE MAT? I don't know if that's on Exhibit 7 or not.
 20 MS. PERKY: I believe THE MAT sales is
 21 Exhibit 4, Your Honor.
 22 THE COURT: Yeah. Exhibit 4. Those
 23 were gross total product profit he had from 2011-2014,
 24 around \$821,000. Is that number -- are you disputing
 25 that number?

1 what had happened. I believe I copied him on all those
 2 e-mails as well, just to keep him in the loop. But I
 3 let him know exactly what happened, with all the steps,
 4 and to go ahead and apply for insurance. And he agreed
 5 that he would.
 6 Q. Ms. Gentry, do you have the resources to
 7 pay support to Mr. Gentry if he's no longer working in
 8 the business?
 9 A. I don't. I'm borrowing money from my
 10 parents as it is.
 11 Q. Your Honor, I do have an income and expense
 12 statement from Ms. Gentry. I will say, it has not been
 13 signed by her, but I'm happy to submit --
 14 THE COURT: Well, we're -- what's good
 15 for the goose is good for the gander. So go ahead and
 16 submit it.
 17 I'm going to mark Mr. Gentry's monthly
 18 expenses as 23. We'll mark Ms. Gentry's as 24.
 19 (Marked Exhibits 23 and 24.)
 20 THE COURT: Have you seen that,
 21 Ms. Perky?
 22 MS. PERKY: No, Your Honor.
 23 THE COURT: Ms. Taylor, will you give
 24 her a copy of that.
 25 MS. TAYLOR: For some reason, I only

1 THE WITNESS: I'd like to put it in
 2 context.
 3 THE COURT: I want you to.
 4 THE WITNESS: Okay. When he says it's
 5 profit -- and can I go ahead and give this other
 6 exhibit back to you, before I get accused of -- before
 7 the cameras catch me?
 8 THE COURT: Yeah, yeah.
 9 MS. TAYLOR: I'll put it right here.
 10 THE WITNESS: When he calls it profit,
 11 that's not so much going into we had that money laying
 12 around. What it is, yes, it pays our salaries, hourly
 13 employees' wages. It pays rent. When you look at our
 14 tax returns, it's not a profitable company. We don't
 15 have that money laying around.
 16 THE COURT: All right. So, then,
 17 where are those proceeds going? What do they pay for?
 18 THE WITNESS: All of our operating
 19 expenses.
 20 THE COURT: All right. Does Sweet
 21 Wise -- how many bank accounts does it have right now?
 22 THE WITNESS: It has one account
 23 -- no. I'm sorry. Two accounts. One is a funding
 24 account that we would like to put money aside in. It's
 25 got about \$3,000 in it right now.

<p style="text-align: right;">Page 206</p> <p>1 THE COURT: Mm-hmm. And the other is</p> <p>2 an operating account?</p> <p>3 THE WITNESS: The other is an</p> <p>4 operating account. It pays utilities, and payroll, all</p> <p>5 of our other operating expenses.</p> <p>6 THE COURT: All right. And what's the</p> <p>7 current balance in that account?</p> <p>8 THE WITNESS: I'd have to look. I</p> <p>9 didn't prepare myself for that today. I'm going to</p> <p>10 guess it's around \$30,000.</p> <p>11 THE COURT: All right.</p> <p>12 THE WITNESS: Again, though, we have a</p> <p>13 credit card bill coming up that we'll need to pay.</p> <p>14 BY MS. TAYLOR:</p> <p>15 Q. How much would that be?</p> <p>16 A. The American Express bill usually runs, any</p> <p>17 month, from 23,000 to \$35,000.</p> <p>18 THE COURT: All right.</p> <p>19 MS. TAYLOR: Your Honor, may I</p> <p>20 interrupt and ask a question?</p> <p>21 THE COURT: Yeah.</p> <p>22 BY MS. TAYLOR:</p> <p>23 Q. Ms. Gentry, on the monies that have been</p> <p>24 produced from the sale of THE MAT, which I believe is</p> <p>25 what Mr. Gentry is saying is the profit, that's</p>	<p style="text-align: right;">Page 208</p> <p>1 exhibits, the first page is attached but not the</p> <p>2 complete return.</p> <p>3 THE COURT: All right.</p> <p>4 MS. PERKY: Your Honor, if you'll look</p> <p>5 at Exhibit 2, it has the first -- the first page.</p> <p>6 THE COURT: It has page 1.</p> <p>7 MS. PERKY: Page 1, yes, Your Honor.</p> <p>8 THE COURT: All right. I don't have</p> <p>9 No. 19, which is going to be -- or Line Item 19.</p> <p>10 That's other deductions, \$718,000.</p> <p>11 All right. Do you have that in your</p> <p>12 possession, Ms. Taylor?</p> <p>13 MS. TAYLOR: I cannot locate the</p> <p>14 exhibit right now.</p> <p>15 THE COURT: Okay. And I'm not asking</p> <p>16 you to. But I want you to file the 2013 return as a</p> <p>17 late-filed exhibit to this hearing.</p> <p>18 THE WITNESS: Yes, Your Honor. We'll</p> <p>19 file the complete return.</p> <p>20 THE COURT: Yeah.</p> <p>21 (Late-Filed Exhibit 25 to be</p> <p>22 provided.)</p> <p>23 THE COURT: Y'all have both been hit</p> <p>24 with income and expense statements that I generally</p> <p>25 make people file before the hearing. I'm not going to</p>
<p style="text-align: right;">Page 207</p> <p>1 actually the income the business has made from THE MAT;</p> <p>2 correct?</p> <p>3 A. Correct. That's revenue.</p> <p>4 Q. Okay. Have there also been expenses</p> <p>5 associated with the production of THE MAT, the</p> <p>6 marketing, the shipping, the patent, everything that</p> <p>7 would be offsetting that amount?</p> <p>8 A. Absolutely. But if you'll -- if you'll</p> <p>9 look at how he's broken this down, he's giving this</p> <p>10 profit number. There's a quantity sold, an extended</p> <p>11 cost, and extended price. So he's broken it down as to</p> <p>12 what the price is each year and then totaled it here.</p> <p>13 This is -- if you'll look at what we made in 2014, as</p> <p>14 far as profit, \$143,000, not 820.</p> <p>15 THE COURT: Right.</p> <p>16 THE WITNESS: So, again, though that</p> <p>17 sounds like a large number. With as much inventory as</p> <p>18 comes in and out of the business, and the employees</p> <p>19 that we have, it's certainly designated for other</p> <p>20 purposes and, again, does not show up as a profit on</p> <p>21 our tax returns each year.</p> <p>22 THE COURT: Okay. Do I have a copy of</p> <p>23 the tax return for the company for 2013?</p> <p>24 MS. TAYLOR: Not the complete return,</p> <p>25 Your Honor. I believe there's a -- in light of the</p>	<p style="text-align: right;">Page 209</p> <p>1 beat you up, because you're beating each other up with</p> <p>2 it right now. But this is what you -- what I'll let</p> <p>3 you do. If you-all want to file written objections to</p> <p>4 the other's income and expense statement, I'm going to</p> <p>5 let you.</p> <p>6 Again, this is a temporary support</p> <p>7 hearing. I do want the 2013 tax return. And then</p> <p>8 we're going to have to reset the hearing on this</p> <p>9 operator thing. I will tell you -- hang on just a</p> <p>10 second.</p> <p>11 Before we have the hearing, I want</p> <p>12 you -- I don't know that this is directly on point, but</p> <p>13 there's a case called Bass vs. Bass, 814 S.W.2d 38,</p> <p>14 that has sort of the implied partnership that Ms. Perky</p> <p>15 was referencing. It's a slightly different set of</p> <p>16 facts, but that's going to drive a lot of this with</p> <p>17 respect to where we end up. So before we have that</p> <p>18 final hearing, I need a little bit of law from both of</p> <p>19 you on that.</p> <p>20 Also, this patent issue I'm really</p> <p>21 concerned about. I don't want the patent -- I don't</p> <p>22 want these -- it's not going to do either one of these</p> <p>23 folks any good to have this patent process</p> <p>24 short-circuited. What I'm most interested in is</p> <p>25 getting the patent approved, if we can, and then this</p>

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1 Court having the ability to either allocate the patent
2 or the revenue from the patent based upon the proof.

3 I would hate for either party to take
4 a risk with that process. And, quite frankly, I don't
5 know enough about IP to speak intelligently about it.
6 So I would like for you to help me with that a little
7 bit, too.

8 So we're going reset the hearing to
9 have some more proof. I want to hear Ms. Gentry's full
10 story on what her role in the business has been, as
11 opposed to Mr. Gentry's story.

12 MS. GENTRY: Thank you.

13 THE COURT: And then I want -- if
14 either one of you want to file written objections to
15 the other's income and expense statements, get that
16 done for me. Is ten days too quickly?

17 MS. TAYLOR: To have another hearing?

18 THE COURT: No, to get a written
19 objection filed, if you have any, on the income and
20 expense statements.

21 MS. PERKY: That's fine, Your Honor.

22 THE COURT: Can you do that?

23 MS. TAYLOR: That would be the end of
24 next week?

25 THE COURT: Mm-hmm.

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1 We're going just on Mr. Gentry's
2 testimony about what he did, or the expenses that were
3 paid. Ms. Gentry has a different testimony on some of
4 that, a different testimony on their spending and their
5 discussions.

6 So I do submit to the Court that by
7 answering a temporary support without letting
8 Ms. Gentry tell her side of the story, it seems to be a
9 bit biased in Mr. Gentry's behalf, because we're taking
10 it on his testimony without her input. Yes, I had a
11 chance to cross-examine him, but there's not the
12 complete story that I would ask the Court to hear
13 before there's a temporary support.

14 THE COURT: Let's do this, then. You
15 go ahead and submit -- I want you to go ahead and
16 submit your written responses by the 23rd.

17 And let me say this to both parties.
18 When you divorce, your standard of living changes.
19 Period. It's a lot more expensive for two people than
20 it is for one family household. So the amount of
21 eating out, and the nice cars, and all that sort of
22 stuff, that's going to be -- it changes.

23 Go ahead and submit the stuff by the
24 23rd. I'm going to keep in mind two things. One, it
25 is a temporary order. But, two, if I believe there's

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1 MS. TAYLOR: If I could have, Your
2 Honor, at least until the following Monday, just
3 because the scheduling -- the close of business on that
4 Monday.

5 THE COURT: That's fine.

6 MS. PERKY: So the 23rd is when we're
7 going to --

8 THE COURT: Right, the 23rd. And then
9 I'll make a ruling -- I'm going to tell you right now,
10 it's going to be as temporary support. To the extent I
11 award anything, it will be as temporary support. It
12 won't be -- because we just don't have enough proof on
13 the other issue yet, and I want to give Ms. Gentry a
14 chance to tell her side of the story. I'm not saying
15 that I'm awarding anything, but if I do, it will be as
16 temporary support.

17 MS. TAYLOR: Your Honor, I would -- I
18 know it's late and we all need to go. In the sense
19 that it goes to the issue of temporary support, I think
20 some of my client's -- we've heard a lot from
21 Mr. Gentry about his position on the monies, the
22 business plan, things like that. I would ask the Court
23 to consider that Ms. Gentry's testimony on that would
24 be important also before a temporary award amount is
25 set.

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1 further elucidation I need from Ms. Gentry, I'm going
2 to give her a chance to come back in.

3 You know -- let me just leave it at
4 that for now; okay? I understand. I hear exactly what
5 you're saying, but I think I've got what I need at this
6 point; all right?

7 MS. TAYLOR: I don't want to stand
8 here and argue with the Court, but I -- from my
9 perspective, there's other information that might be
10 relevant. What I would ask the Court is, once the
11 award is made, I can put on proof --

12 THE COURT: Oh, sure.

13 MS. TAYLOR: -- if we --

14 THE COURT: Oh, absolutely.

15 MS. TAYLOR: Oftentimes, a Court will
16 not modify a temporary order once it's down.

17 THE COURT: Oh, no, no. Look, no, no,
18 no. I've modified temporary awards, and I've even
19 taken into account an erroneous temporary award or an
20 award of temporary support that I ordered based upon
21 one set of proof in the temporary hearing, and later on
22 in the final hearing had a vastly different story. And
23 I took that into account in the final disposition.

24 MS. TAYLOR: Yes. That's my concern,
25 is that we have not had the complete story about work

54 (Pages 210 to 213)

and --

THE COURT: No. I'm trying to be -- I'm trying to mix a few things, combine a couple of things here. One, we've been at it now for almost five hours. And, two, I've got these income and expense statements. I'm going to let both of you submit written responses. Three, it's just going to be a temporary award. Four, if I believe, based upon your objections or the statements that have been submitted, that I need more information, we can have a hearing on that; okay? With just the parties.

MS. TAYLOR: Just the parties.

THE COURT: Yeah. I mean, on the temporary support issue. I can do a separate hearing just on that. I think getting this other matter resolved, we're going to need a little more time on that.

MS. PERKY: And, Your Honor, when do you want to reset this to finish up the testimony?

THE COURT: Well, I will tell you -- I will tell you there are three things we're going to be battling over the next couple of months. I've got Tennessee Judicial Conference next week. I'm out the last week of March on a prearranged thing that I can't do anything about. And I'm gone for two weeks at the

I gave you. You know, the lines get blurred between whether she owns it all but he's attributed to the appreciation of the value. And so we may be talking some legal distinctions that, when all is said and done, don't have a lot of practical difference. I'm not sure yet, though.

MS. TAYLOR: The question is, is that a temporary issue or an issue for the final hearing?

THE COURT: Well, I'm not getting into that now. Ms. Perky wants it to be a temporary issue. I've allowed her to put her proof on. I certainly want your client to be able to put her proof on. But as far as something that's urgent, if I felt like it was urgent, we would continue to have that hearing tonight.

MS. TAYLOR: Yes, Your Honor.

On the contempt, I would ask for a directed verdict that there is no contempt.

THE COURT: Tell me about that, Ms. Perky. What do you think about that?

MS. PERKY: Well, I think, Your Honor, the proof was pretty clear that, you know, one, she has removed him as signatory on accounts that were in both of their names, that they both have access to.

She removed him -- she took away and canceled credit cards that, although business credit

end of April and beginning of May for National Judicial College. So it will be tight.

And Ms. Gross keeps the calendar. So it's hard for me to sit here and give you good, firm dates on all of this.

MS. PERKY: I just want to make sure that this doesn't languish too long, Your Honor. My client filed this back in October.

THE COURT: I understand. And, again, we're doing triage. The first issue I'm going to address is temporary support. I can still, at a final hearing, take into account that award, one way or the other. But I've got to address that issue first.

MS. TAYLOR: And, Your Honor, also, I'm sure you'll see from the record, the motion about who's going to control the business --

THE COURT: We're not close on that.

MS. TAYLOR: -- was just filed. It wasn't filed back in October.

THE COURT: No. And we're not close to the proof on that right now.

MS. TAYLOR: And I submit to you, the business isn't a part of this lawsuit. So --

THE COURT: Well, that's why we get into this issue. That's why I gave you that case that

cards, were used for personal expenses. That's the only one he had. He went to go pay for his gas. Runs it. Rejected. Same thing when he's in Tunica. He tries to run the credit card. Declined.

I mean, I think that's exactly what the statutory restraining order is trying to prevent, parties from financially bankrupting the other party and trying to put pressure on them. You know, one party using their financial leverage to prevent the other party from proceeding as the status quo in marriage, and, secondly, to, you know, defend the divorce proceedings. And that's essentially what's happened here.

He's had to rely on credit cards in his own name, max them out. He's taking cash advances from credit cards in order to pay marital expenses. This is exactly what the statutory restraining order was created to prevent.

THE COURT: Well, the only reason I would disagree with you a little bit is because Mr. Gentry's and my definition of de minimis are very different.

MS. PERKY: Sure.

THE COURT: And so what's happened is we've had an utter and complete commingling of the

<p style="text-align: right;">Page 218</p> <p>1 personal life and the business life. And I think for a 2 finding of contempt, I have to find willful behavior 3 with respect to specific conduct. 4 And the problem that I have with 5 respect to that standard is, I think the conduct of the 6 parties -- I think if she had asked for some sort of 7 contempt against him, she'd be in the same boat. They 8 just -- there is no delineation between the two. 9 And so I can't find her conduct 10 willful when there was no bright-line distinction as 11 far as how the parties operated with respect to their 12 personal finances and their business finances. So I'm 13 going to grant Ms. Taylor's motion on the contempt. 14 Now, that might have -- this 15 commingling may have some value, as far as the standard 16 of living of the parties and things of that nature, on 17 final hearing. But as far as contempt, I'm going to 18 grant Ms. Taylor's directed verdict motion. 19 All right. Do we know where we all 20 are? 21 MS. PERKY: Just a little bit of 22 thought. My client, I know, the minute we get out of 23 here is going to ask me when he finds out if he's going 24 to get support and how much it's going to be, because 25 he really is destitute at this point. So can Your</p>	<p style="text-align: right;">Page 220</p> <p>1 Get with Ms. Gross sooner rather than 2 later, because we don't have a lot of time built in 3 over the next couple of months, next three months even. 4 MS. TAYLOR: And your schedule and 5 mine seem to be at odds with each other, with some 6 travel that I already had planned. 7 THE COURT: All right. Thank you. 8 MS. TAYLOR: Thank you, Your Honor. 9 (Proceedings concluded at 10 approximately 8:03 p.m.) 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p>
<p style="text-align: right;">Page 219</p> <p>1 Honor guide me as to how to advise my client? 2 THE COURT: Well, I'm asking for 3 objections to these income and expense statements to be 4 submitted on or before the 23rd, I think was our 5 deadline day. So I'm not going to make any ruling 6 before the 23rd, because I need to know if your 7 attorney objects to anything Ms. Gentry has put in, and 8 if Ms. Taylor objects to anything you've put in. 9 So as soon as I get that, assuming I 10 don't feel I need any additional information, I'll make 11 a ruling. All right? 12 MS. TAYLOR: Your Honor, with our 13 objections to the expense statements, we do, I guess, 14 like a closing argument statement with that, about, for 15 example, Mr. Gentry is underemployed? 16 THE COURT: Right, right. That's why 17 I was going to ask him the same questions about, you 18 know, what jobs he's seeking and his position with 19 respect to that. So, yeah, just sort of a closing 20 argument in written form. All right? 21 MS. TAYLOR: Thank you, Your Honor. 22 MS. PERKY: Thank you for your 23 patience. 24 THE COURT: Thank you for your 25 patience and suffering through the heat.</p>	<p style="text-align: right;">Page 221</p> <p>1 REPORTER'S CERTIFICATE 2 STATE OF TENNESSEE } 3 COUNTY OF WILSON } 4 I, Carolyn J. Bertram, Licensed Court 5 Reporter, Registered Professional Reporter, Certified 6 Court Reporter, and Notary Public for the State of 7 Tennessee at Large, hereby certify that I reported the 8 foregoing proceedings at the time and place set forth 9 in the caption thereof; that the proceedings were 10 stenographically reported by me; and that the foregoing 11 proceedings constitute a true and correct transcript of 12 said proceedings to the best of my ability. 13 I FURTHER CERTIFY that I am not 14 related to any of the parties named herein, nor their 15 counsel, and have no interest, financial or otherwise, 16 in the outcome or events of this action. 17 IN WITNESS THEREOF, I have hereunto 18 affixed my official signature and seal of office this 19 23rd day of April, 2015. 20 21 22 23 24 25</p> <p style="text-align: right;">CAROLYN J. BERTRAM, LCR #390 Registered Professional Reporter and Notary Public in and for the State of Tennessee at Large My Commission Expires: May 30, 2017</p>